

Schedule 3 Transitional Provisions for implementation of National Retail Framework

Part 1 Interim gas connection rules for NSW

1 Application

- (1) During the transition period:
 - (a) Part 12A applies to, and in relation to, a NSW gas *distributor*, subject to the exclusions, qualifications and modification prescribed by this Part; and
 - (b) Part 21 does not apply in NSW.
- (2) However, Part 12A and Part 21 operate without the exclusions, qualifications and modifications prescribed by this Part insofar as they relate to a period beyond the transition period.

Example

A NSW gas *distributor* is required to submit model standing offers in accordance with Part 12A for the period that follows on the *distributor's* transition period and is bound by the relevant provisions in Part 12A (without exclusion, qualification or modification) in relation to the model standing offers even though the proposals are submitted during the transition period.

2 Definitions

In this Part:

access arrangement has the same meaning as in the *NGL*.

current access arrangement means an access arrangement applying to a NSW gas *distributor* with respect to pipelines located in NSW and which is in force on the start date.

expiry date means the date when the current access arrangement no longer applies.

interim NSW gas connection rules means the rules prescribed in this Part.

NSW gas distributor means a service provider within the meaning of the *NGL* that holds a reticulator's authorisation under the *Gas Supply Act 1996* of New South Wales in respect of a pipeline located in NSW, excluding ActewAGL Distribution (partnership of ACTEW Distribution Ltd ACN 073 025 224 and Jemena Networks (ACT) Pty Ltd ACN 008 552 663).

reference services agreement means a contract between a user and a NSW gas *distributor*, under the relevant current access arrangement, whether described as:

- (a) a reference service agreement;

- (b) a standard user agreement;
- (c) a service agreement; or
- (d) a gas transportation agreement.

start date means the date when these interim NSW gas connection rules come into operation.

transition period means the period from the start date to the *expiry date*.

3 Gas connection for retail customers—modifications to definitions in Part 12A

- (1) During the transition period, the definitions in rule 119A are replaced with the following definitions:

basic connection service means a service involved in providing a connection between a distribution pipeline and a *retail customer's* premises where the provision of the service involves minimal or no extension to, or augmentation of, the distribution pipeline.

connection applicant means an applicant for a connection service by 1 of the following categories

- (a) a *retailer* for or on behalf of a *retail customer*;
- (b) a licensed plumber;
- (c) a licensed builder;
- (d) a real estate developer.

connection charges criteria – see rule 7.

connection offer means an offer by a NSW *gas distributor* to enter into a connection contract with:

- (a) a *retailer* for or on behalf of a *retail customer*;
- (b) a licensed plumber;
- (c) a licensed builder; or
- (d) a real estate developer.

model standing offer means a document prepared by the NSW *gas distributor* as a model standing offer to provide basic connection services or as a model standing offer to provide standard connection services.

standard connection service means a connection service (other than a basic connection service) for a particular class of connection applicant.

- (2) Unless modified under this rule 3, terms used in this Part have the same meaning as in Part 12A.

4 Approval of terms and conditions of model standing offer to provide basic connection services

During the transition period:

- (1) subrules 119C(1), 119C(3) and 119D do not apply to a model standing offer for basic connection services; and
- (2) subrules 119E(1), 119E(2), 119E(4) and 119F do not apply to a model standing offer for standard connection services; and
- (3) a NSW *gas distributor* may prepare different sets of terms and conditions for different classes of standard connection services or different classes of *retail customers*.

5 Amendment of model standing offer

During the transition period:

- (1) rule 119G does not apply to a model standing offer for basic connection services or standard connection services; and
- (2) a NSW *gas distributor* may amend a model standing offer to provide basic connection services or standard connection services; and
- (3) the amendment of a model standing offer under subrule (2) does not affect the validity or effect of:
 - (a) a connection offer made before the amendment takes effect; or
 - (b) a connection contract formed on the basis of such a connection offer.

6 Publication of model standing offer

During the transition period, rule 119H does not apply, but a NSW *gas distributor* must publish on its website, each of its model standing offers to provide a basic connection service or a standard connection service.

7 Connection charges

During the transition period, Division 4 of Part 12A does not apply, but connection charges imposed under Part 12A must be consistent with the NSW *gas distributor's* current access arrangement and any applicable reference services agreement.

8 Application process

During the transition period, subrule 119R(2) does not apply, and an application for a connection service may be made by a connection applicant.

9 Acceptance of connection offer

During the transition period, subrule 119W(2)(b) does not apply.

10 Dispute resolution

During the transition period:

- (1) for the purposes of Division 7 of Part 12A, the definition of customer does not apply; and
- (2) the term ‘customer’ is replaced by ‘connection applicant’; and
- (3) subrule 119Z(1)(b)(ii) is modified to omit the words ‘as approved by the AER’.

11 Transitional arrangements after expiry date

A transaction commenced by or with a NSW *gas distributor* during the transition period may be continued and completed after the transition period without regard to changes to the rules governing the transaction, that take effect after the *expiry date*.

Part 2 Interim gas connection rules for the Australian Capital Territory

1 Application

- (1) During the transition period, Part 12A applies to, and in relation to, the ACT *gas distributor*, subject to the exclusions, qualifications and modification prescribed by this Part.
- (2) However, Part 12A operates without the exclusions, qualifications and modifications prescribed by this Part insofar as they relate to a period beyond the transition period.

Example

The ACT *gas distributor* is required to submit model standing offers in accordance with Part 12A for the period that follows on the *distributor’s* transition period and is bound by the relevant provisions in Part 12A (without exclusion, qualification or modification) in relation to the model standing offers even though the proposals are submitted during the transition period.

2 Definitions

In this Part:

access arrangement has the same meaning as in the *NGL*.

ACT gas distributor means ActewAGL Distribution (partnership of ACTEW Distribution Ltd ACN 073 025 224 and Jemena Networks (ACT) Pty Ltd ACN 008 552 663).

current access arrangement means an access arrangement applying to the ACT gas *distributor* which is in force on the start date.

expiry date means the date when the current access arrangement no longer applies.

interim ACT gas connection rules means the rules prescribed in this Part.

start date means the date when these interim ACT gas connection rules come into operation.

transition period means the period from the start date to the *expiry date*.

Transport Services Agreement has the same meaning as in the current access arrangement.

3 **Gas connection for retail customers—modifications to definitions in Part 12A**

- (1) During the transition period, the definitions in rule 119A are replaced with the following definitions:

basic connection service means a service involved in providing a connection between a distribution pipeline and a *retail customer's* premises where the provision of the service involves minimal or no extension to, or augmentation of, the distribution pipeline.

connection applicant means an applicant for a connection service by 1 of the following categories:

- (a) a *retailer* for or on behalf of a *retail customer*; or
- (b) a real estate developer.

connection charges criteria – see rule 7.

connection offer means an offer by the ACT gas *distributor* to enter into a connection contract with:

- (a) a *retailer* for or on behalf of a *retail customer*; or
- (b) a real estate developer.

model standing offer means a document prepared by the ACT gas *distributor* as a model standing offer to provide basic connection services or as a model standing offer to provide standard connection services.

standard connection service means a connection service (other than a basic connection service) for a particular class of connection applicant.

- (2) Unless modified under rule 3, terms used in this Part have the same meaning as in Part 12A.

4 Approval of terms and conditions of model standing offer to provide basic connection services

During the transition period:

- (1) subrules 119C(1), 119C(3) and rule 119D do not apply to a model standing offer for basic connection services; and
- (2) subrules 119E(1), 119E(2), 119E(4) and rule 119F do not apply to a model standing offer for standard connection services; and
- (3) the ACT gas *distributor* may prepare different sets of terms and conditions for different classes of standard connection services or different classes of *retail customers*.

5 Amendment of model standing offer

During the transition period:

- (1) rule 119G does not apply to a model standing offer for basic connection services or standard connection services; and
- (2) the ACT gas *distributor* may amend a model standing offer to provide basic connection services or standard connection services; and
- (3) the amendment of a model standing offer under subrule (2) does not affect the validity or effect of:
 - (a) a connection offer made before the amendment takes effect;
 - (b) a connection contract formed on the basis of such a connection offer.

6 Publication of model standing offer

During the transition period, rule 119H does not apply, but the ACT gas *distributor* must publish on its website, each of its model standing offers to provide a basic connection service or a standard connection service.

7 Connection charges

During the transition period, Division 4 of Part 12A does not apply, but connection charges imposed under Part 12A must be consistent with:

- (1) the ACT gas *distributor's* current access arrangement;

- (2) the Gas Network Capital Contributions Code determined by the Independent Competition and Regulatory Commission under section 58 of the *Utilities Act 2000* (ACT); and
- (3) any applicable Transport Services Agreement.

8 Application process

During the transition period, subrule 119R(2) does not apply, and an application for a connection service may be made by a connection applicant.

9 Acceptance of connection offer

During the transition period, subrule 119W(2)(b) does not apply.

10 Dispute resolution

During the transition period, subrule 119Z(1)(b)(ii) is modified to omit the words ‘as approved by the AER’.

11 Transitional arrangements after expiry date

A transaction commenced by or with the ACT gas *distributor* during the transition period may be continued and completed after the transition period without regard to changes to the rules governing the transaction, that take effect after the *expiry date*.

Part 3 Interim rules for Retail Market Procedures (Victoria)

1 Application

This Part applies in Victoria.

2 Definitions

In this Part:

declared distribution system has the same meaning as in the *National Gas (Victoria) Act 2008*.

designated retailer has the same meaning as in the *NERL*.

failed retailer has the same meaning as in the *NERL*.

gas RoLR event has the same meaning as in the *NERL*, to the extent that event:

- (a) applies to gas; and
- (b) affects customers in Victoria.

local area retailer has the same meaning as in the *NERL*.

Victorian procedures means the *Retail Market Procedures* made by AEMO under Part 15B and entitled '*Retail Market Procedures (Victoria)*'.

3 Victorian procedures apply subject to this Part

The Victorian procedures apply subject to this Part if a gas RoLR event occurs on or before 30 June 2013.

4 Where customers of failed retailer not connected to a declared distribution system

If the customers of a failed *retailer* include customers not connected to a declared distribution system, AEMO, the designated RoLR and the *distributor* must use reasonable endeavours to deliver information or data in relation to those customers within the periods required by Chapter 6 of the Victorian procedures.

5 Where failed retailer is a local area retailer

If the failed *retailer* is a local area *retailer*, AEMO, the designated RoLR and the *distributor* must use reasonable endeavours to deliver information or data within the periods required by Chapter 6 of the Victorian procedures.

Part 4 Miscellaneous transitional rules

1 Update of Delivery Point Registry

- (1) This clause applies in respect of a default RoLR appointed by the AER under Part 6 of the *NERL* for gas customers located in the ACT.
- (2) Despite clause 8.1 of the '*Retail Market Procedures (NSW and ACT)*', AEMO may update standing data for all delivery points in the ACT, and include this data in the delivery point registry as required by Part B of the Procedures.

2 Extension of time period for AER to consider certain pass through applications

- (1) This clause applies:
 - (a) to an application from a *distributor* for pass through of costs arising from the commencement of the *National Energy Retail Law*, the *National Energy Retail Rules*, the *National Energy Retail Regulations* and associated amendments to the *energy laws* as they apply in the State or Territory in which that *distributor* operates; and
 - (b) despite anything to the contrary in an access arrangement.

- (2) The time limit for the making of a determination by the AER is 100 business days from the date when the AER receives a complete application.