

Country Energy Gas

Access Arrangement for the Wagga Wagga Natural Gas Distribution Network



1 January 2006



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1. INTRODUCTION

1.1 Basis for Access Arrangement

This *Access Arrangement* has been prepared by *Country Energy Gas Pty Ltd* ACN 083 199 839 (*Country Energy Gas*) and applies to the natural gas distribution system serving Wagga Wagga and surrounding areas (including Uranquinty).

This *Access Arrangement* should be read in conjunction with the accompanying *Access Arrangement Information*.

1.2 Commencement and Application

This *Access Arrangement* applies from 1 January 2006 and supersedes the *Access Arrangement* for the *Network* in place prior to this date. The provisions set out in this *Access Arrangement* will continue to apply until the *Access Arrangement* is reviewed in accordance with section 8 and/or the provisions set out in the *Code*.

1.3 Interpretation

In this *Access Arrangement* where a word or phrase is capitalised and italicised the term has the meaning set out in the *Code*, unless the word or phrase is defined in the Glossary in which case the word or phrase has the meaning given to that word or phrase in the Glossary.

Further, in this *Access Arrangement* headings are for convenience only and do not affect interpretation, and unless the context indicates a contrary intention:

- (a) a reference to any party includes that party's executors, administrators, successors, substitutes and assigns, including any person taking by way of novation;
- (b) a reference to this *Access Arrangement* or to any other agreement, deed or document (including, without limitation any standard, code, guidelines or rule) includes, respectively, this *Access Arrangement* or that other agreement, deed or document as amended, novated, supplemented, varied or replaced from time to time;
- (c) words importing the singular include the plural (and vice versa), words denoting a given gender include all other genders, and words denoting individuals include corporations (and vice versa);
- (d) unless the context indicates otherwise, a reference to a section is a reference to a section of this *Access Arrangement*;
- (e) references to currency are references to Australian currency unless otherwise specifically provided; and
- (f) reference to any legislation or to any section or provision thereof includes any statutory modification or re-enactment or any statutory provision substituted

for it, and ordinances, by-laws, regulations, and other statutory instruments issued thereunder.

1.4 Contact Details

General enquiries regarding this *Access Arrangement* should be directed to:

General Manager Regulatory Affairs
Country Energy Gas Pty Ltd
PO Box 718
QUEANBEYAN NSW 2620

Telephone: 02 6589 8419
Fascimile: 02 6589 8483

1.5 Information

1.5.1 General Information about the Network

A person may request general information from *Country Energy Gas* about the *Network* and such information will be made available to the person (unless the information is *Confidential Information* or is information which *Country Energy Gas* otherwise reasonably considers to be confidential) in accordance with the processes set out in section 5.2 of the *Network Code*.

1.5.2 Information concerning existing Users

Pursuant to section 7 of the *Network Code*:

- (a) Any person may, with prior written consent of a *Customer*, request information from *Country Energy Gas* in respect of the load and pattern of usage, over a specified period, of the *Customer*. Where the *Customer* consumes greater than 10 TJ of gas per year, the request must include a copy of the *Data Consent Form* as set out in Annexure A of the *Network Code*, completed and signed by the *Customer*.
- (b) *Country Energy Gas* will respond to such requests in accordance with the timeframes set out in section 7 of the *Network Code*.

2. SERVICES POLICY

This section contains *Country Energy Gas' Services Policy*, which sets out a description of the services offered and matters which impact on those services including how a *User* or *Prospective User* may obtain a service or an element of a service.

2.1 Services to be offered

Country Energy Gas will make available to *Users* or *Prospective Users* the following services:

- (a) a *Contract Transportation Service* (as described in section 2.3.1);
- (b) a *Volume Transportation Service* (as described in section 2.3.2);
- (c) six *Additional Services* (as described in section 2.3.3)
 - (1) *Residential Meter Testing Service*;
 - (2) *Special Meter Reading Service*;
 - (3) *Reconnection Service*;
 - (4) *Disconnection Service*;
 - (5) *Business Disconnection/Reconnection Service*; and
 - (6) *After Hours Reconnection Service*.
- (d) *Negotiated Services* (as described in section 2.3.4);

The *Contract Transportation Service* and the *Volume Transportation Service* are *Reference Services* and attract a *Reference Tariff*.

2.2 Reference Service Agreements

2.2.1 Requirement to enter into a Reference Service Agreement

- (a) A *Prospective User* of a *Reference Service* will be required to enter into a *Reference Service Agreement* specific to that *User* and that *Service*;
- (b) If a *Prospective User* requires a *Service* other than a *Reference Service*, the *Prospective User* may seek to negotiate a *Negotiated Service Agreement*.

2.2.2 Period of Reference Service Agreements

The period of a *Reference Service Agreement* will start on the commencement date specified in that *Reference Service Agreement*. If the *Reference Service Agreement* incorporates a *Transportation Service*, the *Reference Service Agreement* will apply for a minimum period of 1 year and a maximum of 5 years. The election as to the

period of the *Reference Service Agreement* is to be made by the *User* at the time the respective *Reference Service Agreement* is entered into.

2.3 Transportation Services

2.3.1 Contract Transportation Service

The *Contract Transportation Service* is provided to the *User* in respect of the *Delivery Point* of a *Contract Customer* and consists of:

- (a) receiving natural gas at a *Receipt Point*;
- (b) transporting the natural gas from a *Receipt Point* through the *Network*;
- (c) delivering the natural gas to the *Delivery Point*;
- (d) installing, maintaining and repairing *Metering Facilities* at the *Delivery Point*;
- (e) reading the *Metering Facilities* at the *Delivery Point* at a frequency of 24 hours; and
- (f) providing data, including metering data, to the *User* and other entities in accordance with the requirements of the *Gas Retail Market Business Rules*.

A *Contract Customer* is a *Customer* who has (or is reasonably expected by *Country Energy Gas* to have) an annual consumption of 10TJ or greater at a single *Delivery Point* provided that if a *Contract Customer* has an annual consumption of less than 10TJ for a period of two consecutive years, the *Contract Customer* will remain a *Contract Customer* for that period. *Country Energy Gas* may at the end of the period of two consecutive years classify the *Contract Customer* as a *Volume Customer* upon providing the *Customer* with written notice.

If *Country Energy Gas* classifies a *Customer* as a *Volume Customer* in accordance with this section 2.3.1, *Country Energy Gas* may remove the *Communications Equipment* from the *Customer's Metering Facilities*.

2.3.2 Volume Transportation Service

The *Volume Transportation Service* is provided to the *User* in respect of the *Delivery Point* of a *Volume Customer* and consists of:

- (a) receiving natural gas at a *Receipt Point*;
- (b) transporting the natural gas from a *Receipt Point* through the *Network*;
- (c) delivering the natural gas to the *Delivery Point*;
- (d) installing, maintaining and repairing *Metering Facilities* at the *Delivery Point*;
- (e) reading the *Metering Facilities* at the *Delivery Point* at a frequency of at least quarterly;
- (f) providing data, including metering data, to the *User* and other entities in accordance with the requirements of the *Gas Retail Market Business Rules*; and

- (g) in the case of a *Customer* who is not connected to the *Network*, the provision of up to 50 metres of pipeline from the *Network* to the nearest point on the *Customer's* property, where the provision of such pipeline is consistent with the Extensions/Expansions Policy set out in section 7 and results in the economic feasibility test in section 8.16(b)(i) of the *Code* being passed.

Subject to section 2.3.1, a *Volume Customer* is a *Customer* who has (or is reasonably expected by *Country Energy Gas* to have) an annual consumption of less than 10TJ at a single *Delivery Point*.

2.3.3 Additional Services

The following *Additional Services* are offered:

- (a) *Residential Meter Testing Service*: on request of a *User*, an off-site check to test the accuracy and soundness of *Metering Facilities* of a residential customer in order to determine whether the *Metering Facilities* are accurately measuring the quantity of natural gas delivered. This service includes the provision of a temporary meter. No charge will apply for this service if the meter is not reading correctly.
- (b) *Special Meter Reading Service*: the reading of a meter and forwarding the metering data to the *User* and other entities in accordance with the requirements of the *Gas Retail Market Business Rules*, outside of the normal billing cycle for that *Delivery Point*.
- (c) *Reconnection Service*: the connection or reconnection of gas supply to a *Customer* by removing the lock from the meter isolating valve or the removal of wadding from the basic meter assembly. This service does not include purging the customer installation or lighting pilots. This service only applies to meters with a capacity less than or equal to 6 cubic metres per hour, provided between the hours of 7:30am and 4:00pm on a *Business Day*.
- (d) *Disconnection Service*: the disconnection of gas supply to a *customer* by locking the meter isolation valve in the closed position or wadding the meter to prevent the supply of gas. The meter is not removed. This service only applies to meters with a capacity less than or equal to 6 cubic metres per hour, provided between the hours of 7:30am and 4:00pm on a *Business Day*.
- (e) *Business Disconnection/Reconnection Service*: the disconnection of gas supply to a *Customer* by locking the meter isolation valve in the closed position or wadding the meter to prevent the supply of gas. This service also includes subsequent connection or reconnection of gas supply to a *Customer* by removing the lock from the meter isolating valve or the removal of wadding from the basic meter assembly. This service does not include purging the customer installation or lighting pilots. The service is only available to meters with a capacity greater than 6 cubic meters per hour.
- (f) *After Hours Reconnection Service*: the connection or reconnection of gas supply to a *Customer* by removing the lock from the meter isolating valve or the removal of wadding from the basic meter assembly. This service does not include purging the customer installation or lighting pilots. This service only

applies to meters with a capacity less than or equal to 6 cubic metres per hour, outside the hours of 7:30am and 4:00pm on a *Business Day*.

2.3.4 Negotiated Service

A *Negotiated Service* is a service that is different from a *Reference Service*. *Country Energy Gas* will negotiate in good faith with a *User* or *Prospective User* to provide a *Negotiated Service*. *Negotiated Services* may include:

- (a) the delivery of natural gas to a *Delivery Point* at a higher pressure than the *Minimum Delivery Pressure*;
- (b) the delivery of natural gas to a proposed *Delivery Point* which requires pipeline assets to be constructed in excess of the distances specified in section 2.3.2(g);
- (c) the transportation of natural gas and its delivery to a *Delivery Point* on the basis that such transportation and delivery can be interrupted other than for safety or operational reasons; and
- (d) the provision of a service that would otherwise be a *Transportation Service* except to the extent that the *Prospective User* is seeking terms and conditions that are different to those that apply to the *Reference Services*.

2.4 Request For Service

2.4.1 Form and details of Request

In seeking access to the *Network* for the purposes of obtaining a *Transportation Service* or a *Negotiated Service* that involves the transportation of gas, a *Prospective User* must submit a *Request For Service* to *Country Energy Gas*. A *Request For Service* must include the information set out in the form in Appendix 4 and must be accompanied by the fee specified in section 2.4.7.

2.4.2 Number of active Requests

A *Prospective User* may not lodge with *Country Energy Gas* more than one active *Request For Service* in relation to a single tranche of *Capacity* for the transportation of natural gas between a particular *Receipt Point* and a particular *Delivery Point*.

2.4.3 Incomplete or deficient Request For Service

If a *Request For Service* is incomplete or deficient in a material way, *Country Energy Gas* will promptly advise the *Prospective User* of that fact and of the nature of the deficiency. If the *Prospective User* corrects the deficiency within 5 *Business Days* of *Country Energy Gas*' advice, the date on which the *Request For Service* was first received by *Country Energy Gas* will continue to determine the priority of the *Request For Service* for queuing purposes. Otherwise the *Priority Date* for the *Request For Service* will be the date on which *Country Energy Gas* receives the completed request.

2.4.4 Insufficient Capacity

Where *Country Energy Gas* receives a completed *Request For Service*, if insufficient *Capacity* is available to satisfy the *Request For Service*, *Country Energy Gas* will advise accordingly within 20 *Business Days* and provide details of any queue that has been formed.

2.4.5 Lapse of a Request For Service

Where *Capacity* is available to satisfy a *Request For Service*, then unless:

- (a) the *Prospective User* has entered into a *Reference Service Agreement* or a *Negotiated Service Agreement* within 30 *Business Days* of submitting a completed *Request For Service*; or
- (b) bona fide negotiations have commenced within 30 *Business Days* of submitting a completed *Request For Service*; or
- (c) the *Prospective User* has notified an *Access Dispute*,

the *Request For Service* will be deemed to have lapsed.

2.4.6 Insufficient Capacity Available

Requests for Service will be processed according to their *Priority Date*. Where there is not sufficient *Capacity* available (taking into account all *Users' existing Capacity Entitlements*) on the relevant part of the *Network* to meet all *Requests For Service* then a queue will be formed according to the *Priority Date*.

Country Energy Gas will first offer the *Prospective User* at the top of the queue any *Spare Capacity* that is capable of partly satisfying its *Request For Service*. *Country Energy Gas* may then undertake an investigation of *Developable Capacity* alternatives. Under these circumstances *Country Energy Gas* may elevate the priority of other *Prospective Users' Requests For Service* in the interests of optimising design and achieving efficiency in the structure and level of *Reference Tariffs*. *Country Energy Gas* will only take such action where it is reasonable to do so and where it will not foreseeably disadvantage other *Prospective Users*, other than in relation to their position in the queue.

2.5 Pre-conditions to the provision of Services

2.5.1 Natural Gas

Prior to entering into a *Reference Service Agreement* which includes a *Transportation Service*, the *Prospective User* must demonstrate to *Country Energy Gas' satisfaction* that it has arrangements in place to ensure that:

- (a) the *Prospective User* is entitled to take delivery of an appropriate quantity of natural gas at the nominated *Receipt Point*; and

- (b) the natural gas it wishes *Country Energy Gas* to transport will conform to the Australian Standard AS4564 – Specification for General Purpose Natural Gas.

Country Energy Gas may, during the term of a *Reference Service Agreement*, require a *User* to provide evidence to *Country Energy Gas*' satisfaction that these quantity and quality assurance arrangements remain in force.

2.5.2 Compliance with Laws

If the *Prospective User*:

- (a) is to supply gas to any third party, including without limitation any *Customer*,
or
- (b) proposes to connect a distribution system to the *Network*,

then prior to entering into a *Reference Service Agreement*, the *Prospective User* must demonstrate to *Country Energy Gas*' satisfaction that it holds all necessary licences, authorities and permits and will comply with all relevant *Laws*. *Country Energy Gas* may seek written evidence from the *Prospective User* of the relevant licences, authorities and permits.

2.6 Bonds and Credit Support

2.6.1 Requirement to Provide Security

- (a) Before *Transportation Services* are provided to a *Prospective User*, any *Prospective User* who does not meet *Acceptable Credit Criteria* must provide security for the *Prospective User*'s performance of the *Reference Service Agreement*. The security may be in the form of either:
- (1) payment by the *Prospective User* to *Country Energy Gas* of a *Bond* which is reasonably estimated by *Country Energy Gas* to represent not less than 90 days of charges for the *Contract Transportation Service* and the *Volume Transportation Service* under the *Prospective User's Reference Service Agreement* (the *Bond Amount*); or
 - (2) the provision of *Credit Support*.
- (b) *Country Energy Gas* may require the *Prospective User* to provide information to enable *Country Energy Gas* to assess whether the *Prospective User* does meet *Acceptable Credit Criteria*. Such information will be sought consistent with the provisions of the Privacy Act 1988.

2.6.2 Credit Support

Credit Support is an undertaking in writing from a person (a *Credit Support Provider*) which:

- (a) is a guarantee or bank letter of credit in a form acceptable to *Country Energy Gas*; and
- (b) is duly executed by the *Credit Support Provider* and delivered unconditionally to *Country Energy Gas*; and
- (c) constitutes valid and binding unsubordinated obligations of the *Credit Support Provider* to pay *Country Energy Gas* in accordance with the provisions of this *Access Arrangement* and the *Prospective User's Reference Service Agreement*; and
- (d) permits drawings or claims by *Country Energy Gas* to an amount which is at all times not less than 90 days of charges for the *Contract Transportation Service* and the *Volume Transportation Service* under the *Prospective User's Reference Service Agreement*, as reasonably estimated by *Country Energy Gas* (the *Credit Support Amount*).

2.6.3 Expiry of Credit Support

Where a *User's* current *Credit Support* is due to expire or terminate then the *User*:

- (a) must notify *Country Energy Gas* at least 10 *Business Days* prior to the expiration or termination; and
- (b) ensure that replacement *Credit Support* that complies with this section 2.6 is in place prior to and effective from the date of termination.

2.6.4 Credit Support Provider

The *Credit Support Provider* must:

- (a) be either:
 - (1) any entity under the prudential supervision of the Australian Prudential Regulation Authority; or
 - (2) a central borrowing authority of an Australian State or Territory which has been established by an Act of Parliament of that State or Territory.
- (b) be resident in, or have a permanent establishment in Australia;
- (c) not be under external administration (as defined in the *Corporations Act*) or under a similar form of administration under any laws applicable to it in any jurisdiction;
- (d) not be immune from suit;
- (e) be capable of being sued in its own name in a court in Australia; and
- (f) maintain an unqualified credit rating of not less than:
 - (g) AA from Standard and Poor's (Australia) Pty Limited; or
 - (h) Aa from Moody's Investor Service Pty Limited; or
 - (i) an equivalent credit rating as determined by *Country Energy Gas*.

2.6.5 Variation of Bond Amount or Credit Support Amount

If a *User* has provided a *Bond* or *Credit Support* and

- (a) the *User* and *Country Energy Gas* agree to vary the *User's MDQ*; or
- (b) in *Country Energy Gas's* reasonable opinion the *Credit Support Amount* or *Bond Amount* calculated in accordance with section 2.6.1(a)(1) or 2.6.2(d) has otherwise increased or decreased,

then *Country Energy Gas* will notify the *User* of the revised *Credit Support Amount* or *Bond Amount* and:

- (c) if the *Credit Support Amount* or *Bond Amount* has decreased, within 5 *Business Days* *Country Energy Gas* will repay the *User* part of the *Bond* or agree to the reduction in the *Credit Support Amount*; or
- (d) if the *Credit Support Amount* or *Bond Amount* has increased, the *User* will pay *Country Energy Gas* an additional amount of *Bond* or provide additional *Credit Support* within 5 *Business Days* such that the total amount of *Bond* or *Credit Support* is restored to the revised *Bond Amount* or *Credit Support Amount*.

2.6.6 Drawing on Bond or Credit Support

Country Energy Gas may draw on the *Bond* or *Credit Support* in respect of an *Outstanding Amount* where all of the following circumstances apply:

- (a) *Country Energy Gas* has given the *User* a notice of intention to draw on the *Bond* or *Credit Support* stating:
 - (1) the date of the notice;
 - (2) that *Country Energy Gas* intends to draw on the *Bond* or *Credit Support*;
 - (3) the date, being not less than 5 *Business Days* from the date of the notice, on which it will draw on the *Bond* or *Credit Support*.
- (b) 5 *Business Days* have elapsed since *Country Energy Gas* provided the notice of intention to draw on the *Bond* or *Credit Support*; and
- (c) the *Outstanding Amount* remains unpaid on the date at which *Country Energy Gas* draws on the *Bond* or *Credit Support*.

Where *Country Energy Gas* draws on the *Bond* or *Credit Support* with the effect that the remaining amount of the *Bond* or *Credit Support* is less than the *Bond Amount* or *Credit Support Amount* then the *User* must within 24 hours provide an additional amount of *Bond* or *Credit Support* such that the *Bond* or *Credit Support* is restored to the *Bond Amount* or *Credit Support Amount*.

2.6.7 Releasing the Bond or Credit Support

In the event of the termination of a *Reference Service Agreement* with a *User*, *Country Energy Gas* will release the *Bond* or *Credit Support*, less any *Outstanding*

Amounts payable in accordance with this section 2.6. Neither the provision of a *Bond* or *Credit Support*, nor any amount drawn on them by *Country Energy Gas*, will prevent *Country Energy Gas* from claiming from the *User* any amount payable under a *Reference Service Agreement* in circumstances where the *Bond* or *Credit Support* was insufficient to satisfy such amount.

2.7 Users with existing Service Agreements

2.7.1 Grant of Options to Renew

A *User* seeking a *Reference Service* or a *Negotiated Service* after the *Reference Service Agreement* or *Negotiated Service Agreement* in respect of that *Service* has expired or been terminated shall be treated as a *Prospective User* seeking to obtain that *Service*, unless in the case of a *Negotiated Service Agreement* the terms of that agreement include an option to renew the *User's* right to obtain the *Service*. Any such option will only grant that *User* with priority in relation to the *Service* currently provided by *Country Energy Gas* under the relevant *Negotiated Service Agreement* or such other service which does not utilise *Capacity* greater than that provided for under the relevant *Service Agreement*. A *Reference Service* will not include an option to renew the *Reference Service Agreement* under which *Country Energy Gas* provides that *Reference Service* to a *User*.

2.7.2 Small Retail Customers

Notwithstanding section 2.7.1, a *Reference Service Agreement* with a *User* that relates to the supply of natural gas to *Small Retail Customers* may grant the *User* concerned rights to renew the *Reference Service Agreement* or obtain *Capacity* in priority to other *Users* to the extent necessary to ensure the reasonable security of supply to the relevant *Small Retail Customers*.

2.8 User's Default

2.8.1 Agreement with User's Customers

The *User* must enter into agreements with its *Customers* which are in accordance with the provisions of Schedule 1 of the Gas Supply (Natural Gas Retail Competition) Regulation 2001.

2.8.2 User Default

In the event that the *Reference Service Agreement* which includes a *Transportation Service* between *Country Energy Gas* and the *User* is terminated by *Country Energy Gas* following a default by the *User*, then:

- (a) if the default occurs due to the *User* being subject to a *Last Resort Supply Event* in accordance with section 70 of the Gas Supply (Natural Gas Retail Competition) Regulation 2001, then arrangements for supply to *Customers* will apply as provided for under that Regulation;

- (b) if the default occurs for a reason other than the *User* being subject to a *Last Resort Supply Event* in accordance with section 70 of the Gas Supply (Natural Gas Retail Competition) Regulation 2001, then:
- (1) *Country Energy Gas* will publish a notice in a newspaper circulating in the Wagga Wagga region stating that the *User's Reference Service Agreement* has been terminated;
 - (2) *Country Energy Gas* will advise the *Retailer of Last Resort* that the *User's Reference Service Agreement* has been terminated;
 - (3) *Small Retail Customers* of the *User* will be transferred as customers of the *Retailer of Last Resort*, as if a *Last Resort Supply Event* had occurred;
 - (4) the *Retailer of Last Resort* will comply with sections 71, 72 and 73 of the Gas Supply (Natural Gas Retail Competition) Regulation 2001 as if a *Last Resort Supply Event* had occurred.

3. REFERENCE TARIFFS AND REFERENCE TARIFF POLICY

3.1 Reference Tariff Structure

3.1.1 Contract Transportation Service

The *Reference Tariff* for the *Contract Transportation Service* will depend upon the *Zone* in which the relevant *Delivery Point* is located, and consists of:

- (a) A *Monthly Capacity Charge* based on the *MDQ* for that *Delivery Point*. The *MDQ* for a *Delivery Point* is established in accordance with sections 3.1.3 and 3.1.4. The initial *Monthly Capacity Charge* is set out in Appendix 2; and
- (b) A *Monthly Metering Charge* designed to recover the specific costs of providing, maintaining and operating the *Metering Facilities* at a *Delivery Point* as well as the costs associated with remotely reading that meter on a daily basis and forwarding that data to the *User* and other entities in accordance with the *Gas Retail Market Business Rules*. *Monthly Metering Charges* are specific to the *Metering Facilities* at a *Delivery Point*. The initial *Monthly Metering Charges* are set out in, or calculated in accordance with the approach detailed in, Appendix 2.

3.1.2 Volume Transportation Service

The *Reference Tariff* for the *Volume Transportation Service* consists of:

- (a) a *Monthly Fixed Charge* based on the flow rate of the *Metering Facilities* at the *Delivery Point* provided in accordance with section 3.1.5. The initial *Monthly Fixed Charge* is set out in Appendix 2; plus
- (b) a *Volumetric Charge* for each GJ of gas delivered to the *Delivery Point*. The initial *Volumetric Charge* is set out in Appendix 2.

3.1.3 Nomination of MDQ and MHQ

Prior to the provision of a *Contract Transportation Service* to a *Delivery Point* each *User* must ensure that the relevant *Contract Customer* nominates to *Country Energy Gas* the proposed maximum daily quantity of natural gas (*MDQ*) and maximum hourly quantity of natural gas (*MHQ*) to be delivered to the *Delivery Point* serving that *Customer*.

3.1.4 OVERRUNS AND INCREASE IN MDQ

- (a) Subject to sections 3.1.4(b) and 3.1.4(c), a *User* may apply in writing to *Country Energy Gas* 24 hours prior to an *Overrun* occurring to have that *Overrun* authorised.
- (b) *Country Energy Gas* may authorise such an *Overrun* providing that in the opinion of *Country Energy Gas* the *Overrun*:

- (1) does not compromise the safety of the *Network*;
- (2) does not impact on *Country Energy Gas*' commercial obligations; and
- (3) there are no capacity constraints in the *Network*.

Such authorisation does not have any effect unless the authorisation is expressed in writing by *Country Energy Gas*.

- (c) The *User* may not apply to have an *Overrun* authorised if more than five *Overruns* have been already authorised in that *Year*.
- (d) If an *Overrun* that has not been authorised occurs more than three times in any one month, then *Country Energy Gas* will reset the *MDQ* established in accordance with section 3.1.3 to a level consistent with the highest unauthorised *Overrun* that occurred in that month. The revised *MDQ* shall be used to calculate *Capacity Charges* for the duration of the *Reference Service Agreement* including the month in which the three unauthorised *Overruns* occurred.
- (e) *Country Energy Gas* will notify the *User* in writing in the event that the *MDQ* has been adjusted in accordance with section 3.1.4(d).
- (f) no unauthorised *Overrun* will be deemed to have occurred if it is not possible to determine the quantity of natural gas withdrawn at the *Delivery Point* because of a failure or unavailability of *Metering Facilities* even if it is subsequently established that an *Overrun* would have occurred on the basis of the quantities subsequently estimated to have been withdrawn on that *Day*.

3.1.5 Provision of Maximum Hourly Flow Rate

Upon connection to the *Network*, each *User* must ensure that each of its *Volume Customers* provides to *Country Energy Gas* the hourly *Maximum Meter Flow Rate* of the *Metering Facilities* at the *Delivery Point* serving that *Customer*. The *User* must:

- (a) in respect of a *Customer* that is already connected to the *Network*, advise *Country Energy Gas* of any proposed change to the hourly *Maximum Meter Flow Rate* of the *Metering Facilities*; and
- (b) ensure that the hourly *Maximum Meter Flow Rate* of the *Metering Facilities* is not exceeded, other than by prior written agreement with *Country Energy Gas*.

3.2 Additional Services

The initial charges for the *Additional Services* are set out in Appendix 2.

3.3 Annual Changes in Reference Tariffs

3.3.1 Annual Changes in Reference Tariffs

The manner in which the *Reference Tariffs* for the *Contract Transportation Service* and the *Volume Transportation Service* will change annually on 1 July 2006 and 1 July in each *Year* thereafter throughout the *Access Arrangement Period* are set out in Appendix 3. In broad terms, *Reference Tariffs* for *Transportation Services* will change consistent with a (1+CPI-X) mechanism applying to a weighted average tariff basket of *Services*.

3.3.2 Notification of Annual Changes in Reference Tariffs

Country Energy Gas will notify *Users* in writing of the annual changes to *Reference Tariffs* at least twenty *Business Days* prior to 1 July each year.

3.4 Pass Throughs

3.4.1 Pass Through Event

(a) At any time during the *Access Arrangement Period*, *Country Energy Gas* may apply to *IPART* to amend *Reference Tariffs* as a result of a *Pass Through Event*, with the changes to take effect in conjunction with the annual change in *Reference Tariffs*.

(b) A *Pass Through Event* is:

- (1) an actual or anticipated change in the level of a *Pass Through Item*;
- (2) the introduction of a new *Pass Through Item* that was not in existence at 1 July 2004; or
- (3) the removal of a *Pass Through Item* that was in existence at 1 July 2004; and

which has a material effect on *Country Energy Gas*' costs and which was not reflected in the calculation of *Reference Tariffs*.

(c) An application under section 3.4.1(a) must state:

- (1) details of the *Pass Through Event*;
- (2) the date the *Pass Through Event* occurred or is anticipated to occur;
- (3) the estimated financial effect of the *Pass Through Event* on *Country Energy Gas*; and
- (4) the amount by which *Reference Tariffs* are proposed to be amended and the date upon which the amendments are to take effect.

3.4.2 Procedure for Pass-Through

(a) If *IPART* receives an application under section 3.4.1 it must advise *Country Energy Gas* whether it agrees the *Pass Through Event* has occurred or is likely to occur, or not. If *IPART* agrees that the *Pass Through Event* has occurred or is likely to occur, *IPART* must decide the amount by which

Reference Tariffs are to be amended as a result of the *Pass Through Event* and notify *Country Energy Gas* of its decision;

- (b) If *IPART* does not give a notice to *Country Energy Gas* under section 3.4.2(a) within 30 *Business Days* of receiving an application from *Country Energy Gas*, on the 31st *Business Day* *IPART* is deemed to have notified *Country Energy Gas* that the proposed amendments to *Reference Tariffs* are to apply as specified in the application;
- (c) If *IPART* gives a notice to *Country Energy Gas* under section 3.4.2(a) that it does not agree that the *Pass Through Event* has occurred or is likely to occur, then *IPART* must provide the reasons for this decision.
- (d) If *IPART* believes a *Pass Through Event* has occurred, but has not received an application from *Country Energy Gas* within 3 months of it occurring, *IPART* may decide that *Reference Tariffs* should be amended and the amount by which they should be amended;
- (e) At least 14 days prior to making a decision under section 3.4.2(d) , *IPART* must notify *Country Energy Gas* of its intention to make a decision and the proposed amendments to *Reference Tariffs*. *IPART* must consider any submission made by *Country Energy Gas* prior to making its decision and must notify *Country Energy Gas* in writing upon making a decision; and
- (f) *IPART* may appoint an independent auditor to review the estimated financial effect of the *Pass Through Event* on *Country Energy Gas*. The cost of the auditor shall be borne by *IPART*.

3.4.3 Factors which IPART must consider

In deciding the amount by which *Reference Tariffs* are to be amended under section 3.4.2 *IPART* must ensure that:

- (a) the financial effect on *Country Energy Gas* is neutral; and
- (b) the burden of the amendments to *Reference Tariffs* is allocated between *Reference Services* in a manner consistent with the basis upon which costs were allocated in order to develop the *Reference Tariffs*, or in a manner prescribed by law.

3.4.4 Notification of Users

Country Energy Gas must notify *Users* of any amendment to *Reference Tariffs* pursuant to this section 3.4 within 14 days of a notice being received (or being deemed to be received) in accordance with section 3.4.2(a), (b) or (e).

3.4.5 Pass-Throughs not taken into account in price control calculation

An amendment to *Reference Tariffs* that occurs under this section 3.4 is not taken into account in deciding whether *Reference Tariffs* comply with the formula in Appendix 3.

3.5 Notification and Approval of Reference Tariff Variations

- (a) when *Country Energy Gas* proposes to vary tariffs, it is required to provide *IPART* with notice of 50 *Business Days* prior to the effective date of the variation
- (b) deemed approval under section 3.4.2(b) of the *access arrangement* does not occur where *IPART* has requested information (in accordance with section 8.3D(b)(ii) of the *Code*)
- (c) all variations are subject to *IPART*'s approval (deemed or otherwise) (as provided by sections 8.3D and 8.3E of the *Code*), and (except for those proposed under section 3.3.1 of the *access arrangement*) reasonable satisfaction that each variation is based on incremental and efficient costs
- (d) the information to be provided to *IPART* in a variation notice must (in accordance with section 8.3C of the *Code*) include:
 - (1) the effective date of the variation
 - (2) an explanation of how the proposed variation is consistent with the approved variation method
- (e) the information to be provided to *IPART* in a variation notice should include (to be consistent with sections 8.1 and 2.24 of the *Code*):
 - (1) details of the financial impact on *Country Energy Gas* and users with supporting documentary evidence, including a demonstration that costs are incremental and efficient
 - (2) an explanation of how the variation is to be recovered through tariffs.

3.6 Addition and Deletion of Reference Tariffs

3.6.1 Addition and Deletion of Tariffs

Country Energy Gas may introduce new *Reference Tariffs* and/or *Reference Tariff Components*, and delete existing *Reference Tariffs* and/or *Reference Tariff Components* during the *Access Arrangement Period*.

3.6.2 Addition of Reference Tariffs for Transportation Services

- (a) Where *Country Energy Gas* is proposing to introduce new *Reference Tariffs* and/or new *Reference Tariff Components* for *Transportation Services* the Q^{t-1}_{ij} term in Appendix 3 Section A3.1.1 will be interpreted in relation to:
 - (1) the estimates of the quantities that would have been sold, in relevant units, if the *Reference Tariff Components* had existed in *Year t-1*;
 - (2) the *Reference Tariff Components* of the parent *Reference Tariff* in *Year t-1*;
- (b) Where *Country Energy Gas* has introduced new *Reference Tariffs* and/or new *Reference Tariff Components* in *Year t*, the P^t_{ij} term in Appendix 3 Section A3.1.1 will be interpreted in relation to the estimates of the quantities

that would have been distributed, in relevant units if the *Reference Tariff Components* had existed in Year t-1.

3.6.3 Deletion of Reference Tariffs

- (a) Where *Country Energy Gas* is proposing to withdraw a *Reference Tariff* and to reassign only one other *Reference Tariff* to the *Delivery Points* to which the *Reference Tariff* to be withdrawn applied, the P^{t+1}_{ij} term in Appendix 3 Section A3.1.1 for the *Reference Tariff* that is proposed to be withdrawn will be interpreted in relation to the *Reference Tariff Components* of the *Reference Tariff* which will be reassigned to those *Delivery Points* in Year t+1.
- (b) Where *Country Energy Gas* is proposing to withdraw a *Reference Tariff* and to reassign more than one other *Reference Tariff* to the *Delivery Points* to which the *Reference Tariff* to be withdrawn applied:
 - (1) the P^{t+1}_{ij} term in Appendix 3 Section A3.1.1 for the *Reference Tariff* that is proposed to be withdrawn will be interpreted separately in relation to the *Reference Tariff Components* of each of the *Reference Tariffs* which will be reassigned to those *Delivery Points* in Year t+1; and
 - (2) the Q^{t+1}_{ij} term in Appendix 3 Section A3.1.1 for the *Reference Tariff* that is proposed to be withdrawn in Year t+1 will be the actual quantities, in relevant units of each *Reference Tariff Component*, that were distributed under the parent *Reference Tariff* at those *Delivery Points* to which the same *Reference Tariff* was assigned in Year t+1; and
 - (3) the Q^{t-1}_{ij} term in Appendix 3 Section A3.1.1 for the *Reference Tariff* that has been withdrawn in Year t, will be the actual quantities, in relevant units of each *Reference Tariff Component*, that were distributed under the parent *Reference Tariff* at those *Delivery Points* to which the same *Reference Tariff* was assigned in Year t.

3.7 Capital Redundancy Mechanism

- (a) *IPART* may reduce the *Capital Base* with effect from the commencement of the *Access Arrangement Period* (immediately following the conclusion of the current *Access Arrangement Period*) if it is of the reasonable opinion that any of the following have occurred in relation to assets comprising some or all of the *Capital Base*:
 - (1) the assets have been sold or disposed of by *Country Energy Gas* or *Country Energy Gas* has entered into a binding agreement for their sale or disposal; or
 - (2) the assets have otherwise ceased to contribute in any way to the delivery of *Services*.
- (b) In determining whether to reduce the *Capital Base* under paragraph (a), and the amount (to be determined by *IPART*) by which the *Capital Base* should be reduced, *IPART* may take into account:

- (1) the value at which the assets were first included in the *Capital Base*; and
- (2) the depreciated value of the assets within the *Capital Base* at the time of their sale or disposal, or the time at which they ceased to contribute.

4. TERMS AND CONDITIONS

4.1 Terms and Conditions

Country Energy Gas will provide Services in accordance with the service standards and the terms and conditions set out in:

- (a) this Access Arrangement;
- (b) the Network Code, as amended from time to time;
- (c) the Gas Retail Market Business Rules, as amended from time to time;
- (d) relevant Laws; and
- (e) the standard Reference Service Agreement, as amended by Country Energy Gas, from time to time, and approved by IPART in accordance with sections 2.28 to 2.48 of the Code. The standard Reference Service Agreement is set out in Appendix 1.

4.2 Gas Balancing and Unaccounted for Gas

4.2.1 Gas Balancing

Country Energy Gas and Users must comply with the gas balancing arrangements set out in the Gas Retail Market Business Rules. The Network will be a no balancing network section, as defined in the Gas Retail Market Business Rules. If an alternative arrangement for gas balancing is provided for by the Gas Market Company and Country Energy Gas approves the alternative arrangements, the no balancing status will then cease to operate and the alternative arrangements will apply. Country Energy Gas' approval will be subject to the alternative arrangements meeting the operational requirements of the Network and being reflected in the Reference Service Agreement for each User.

4.2.2 Deemed delivery point

For the purposes of gas balancing, each User will be deemed to deliver gas to the Bomen Receipt Point and the Uranquinty Receipt Point for a particular time period in accordance with the following formula:

$$\text{Volume}_{\text{Bomen}} = \frac{\text{Total Deliveries} \times \text{Receipts}_{\text{Bomen}}}{(\text{Receipts}_{\text{Uranquinty}} + \text{Receipts}_{\text{Bomen}})}$$

and

$$\text{Volume}_{\text{Uranquinty}} = \frac{\text{Total Deliveries} \times \text{Receipts}_{\text{Uranquinty}}}{(\text{Receipts}_{\text{Uranquinty}} + \text{Receipts}_{\text{Bomen}})}$$

where

Volume_{Bomen} is the total volume of gas deemed to have been delivered (in GJ) to the Bomen Receipt Point on behalf of the User in the time period.

Volume_{Uranquinty} is the total volume of gas deemed to have been delivered (in GJ) to the Uranquinty Receipt Point on behalf of the User in the time period.

Receipts_{Bomen} is the total volume of gas received (in GJ) at the *Bomen Receipt Point* in the time period.

Receipts_{Uranquinty} is the total volume of gas received (in GJ) at the *Uranquinty Receipt Point* in the time period.

Total Deliveries is the total volume of gas delivered (in GJ) to the *User's Delivery Points* in the time period.

4.2.3 Unaccounted for Gas

In calculating the amounts owed by Users to *Country Energy Gas* for *Transportation Services*, the volume of gas withdrawn at *Delivery Points* will be increased by the following percentages to reflect the cost of *Unaccounted for Gas* assumed in the *network demand forecast from IPART's final decision*.

Year	Unaccounted for Gas percentage – Contract Delivery Points	Unaccounted for Gas percentage – Weighted Average
Jan to June 2006	1%	5.83%
2006-07	1%	5.83%
2007-08	1%	5.83%
2008-09	1%	5.83%
2009-10	1%	5.83%

4.3 Load Shedding

Country Energy Gas and *Users* must comply with the *Load Shedding Procedures* set out in this section 4.3 of the *Access Arrangement*.

4.3.1 Load shedding priorities

If the gas supply to the *Network* is threatened, then *Country Energy Gas* will determine the quantity of supply available from the receipt point and shed load in accordance with the schedule detailed in the table below in order to maintain safe pressure levels.

Load shedding is done on a priority-ranking basis with the aim of achieving the maximum load reduction in the shortest time possible with minimal effect to any plant and/or production processes. Consequently, load shedding begins with large *Customers* where the process is controllable and provides the required level of responsiveness.

Load shedding priority schedule

PRIORITY	LOAD TYPE
1	Interruptible Loads
2	Sites where gas is not used for production
3	Sites where load is transferable to an alternative fuel
4	Load that may be reduced without damage to product or plant
5	Load that may be halted without damage to product or plant
6	Load where halting will cause product damage
7	Load where halting will cause plant damage
8	Load not transferable to alternative fuel at hospital and essential service sites
9	Residential sites.

In the event that load shedding is required, *Country Energy Gas* will advise any *User* what load shedding priority category the *User* falls into at the *User's* request.

4.3.2 Retailers to be notified

In the event that load shedding is required, *Country Energy Gas* will advise the appropriate retailers to tell their customers to shed load. The retailer and *Customers* must obey such directions.

In the event that the retailer fails to implement *Country Energy Gas's* instructions, *Country Energy Gas* will issue instructions to field services staff to disconnect gas supply to the relevant delivery points.

4.3.3 Reconnection Process

Country Energy Gas will commence reconnecting *Customers* when the supply failure is declared by *Country Energy Gas* to be over. *Customers* will, to the extent practicable, be reconnected in reverse order to the order of disconnection. i.e. domestic customers etc.

In the event that the entire system was isolated, the supply system is to be recommissioned in pressure tiers. The high-pressure systems will be commissioned first followed by the medium high pressure and so forth.

4.3.4 Alternative load shedding arrangements

Notwithstanding the provisions set out in these sections, if an alternative arrangement is provided for by the National Gas Emergency Response Advisory

Committee or under an equivalent scheme which *Country Energy Gas* is a participant in, and *Country Energy Gas* approves the alternative arrangements, then Section 4.3 of this *Access Arrangement* will cease to operate and the alternative arrangements will apply. *Country Energy Gas*' approval will be subject to the alternative arrangement meeting the operational and safety requirements of the *Network* and being reflected in the *Reference Service Agreement* for each *User*.

4.4 Connection of third party distribution systems

4.4.1 By-pass and network augmentation

A *Prospective User* may, provided it has the relevant authorisation and subject to the conditions set out below, construct and operate its own pipe or system of pipes and associated equipment from any agreed point on the *Network* to the points where the natural gas is to be utilised.

4.4.2 Off take point

The pipe or system of pipes installed by the *Prospective User* which connects any pipes or other equipment to the *Network* pursuant to this section 4.4, shall comply with the following requirements in order to ensure that the integrity, safety and operation of the *Network* is not compromised:

- (a) *Country Energy Gas* and the *Prospective User* will agree to the location of the off take point on the *Network*;
- (b) *Country Energy Gas* will only withhold its agreement to a location sought by a *Prospective User* on the grounds of technical, operational or safety considerations;
- (c) the hot tap connection to connect the *Prospective User's* facilities to the *Network* will be performed to AS1697-1981 standard and, if applicable, AS2885-1997 standard at the *User's* expense;
- (d) the work will be performed either (at the *Prospective User's* cost) by *Country Energy Gas* or by a contractor approved by *Country Energy Gas* and engaged by the *User*. In the latter case, *Country Energy Gas* reserves the right to supervise the work; and
- (e) the *Prospective User* must design, install, and operate any cathodic protection system installed to protect its facilities in such a manner as to avoid any interference which may be detrimental to *Country Energy Gas's* facilities.

4.4.3 Equipment upstream of the Point of Delivery

Country Energy Gas will install isolation valves and metering equipment at the point of off take from the *Network*, upstream of the *Delivery Point*. *Country Energy Gas* will install, own and operate the facilities upstream of the *Delivery Point*.

4.4.4 Delivery Point

The *Delivery Point* will be at the outlet of the *Metering Facility* immediately downstream of the facilities referred to in section 4.4.2. All facilities downstream of the *Delivery Point* will be the responsibility of the *User*.

4.4.5 Load Shedding

Following the commissioning of any facilities connected to the *Network* the *User* and all users of facilities downstream of the *Delivery Point* will be subject to *Load Shedding Procedures* in relation to such facilities, as set out in *Country Energy Gas' Safety and Operating Plan*. The *User* must have facilities available to it to reduce or discontinue the withdrawal of natural gas from the *Network* if required to do so.

4.4.6 Installation and operation

In the interests of safety and ensuring the integrity of *Country Energy Gas'* facilities, a person who plans to install natural gas transportation facilities in the vicinity of those owned by *Country Energy Gas*, will cooperate to establish, in a timely manner, appropriate arrangements and procedures for the safe installation and operation of that person's facilities and for the management of emergency situations involving the facilities of either of them.

4.4.7 Abandonment disconnection

In the event that the third party natural gas distribution system ceases to be used to take natural gas to the *Delivery Point* the person responsible for that natural gas distribution system at that time will ensure, at its expense, that the facilities are disconnected and isolated from *Country Energy Gas'* facilities. This requirement does not apply where the cessation of use is for a temporary period (not exceeding 3 months).

4.4.8 Indemnity

The person responsible for a third party natural gas distribution system connected to the *Network* will indemnify *Country Energy Gas* against any claim of liability in relation to, or arising out of, its facilities downstream of the point of connection to the *Network*.

4.5 Liabilities and Indemnity

4.5.1 Exclusions from Country Energy Gas' liability

Subject to any laws to the contrary, *Country Energy Gas* will not in any circumstance be liable to the *User* for:

- (a) momentary fluctuations in the amount of natural gas delivered to the *User* at any *Delivery Point* or transported through the *Network*;
- (b) any failure to deliver any natural gas to any *Delivery Point* or any other loss, damage or expense suffered by the *User* caused by any failure of a user of the *Network* (including the *User*) to observe or comply with an agreement to which it is a party;
- (c) any failure to deliver any natural gas to any *Delivery Point* or any other loss, damage or expense suffered by the *User* caused by no or reduced injection of supply of gas into, or, by no or reduced off take of natural gas from, the *Network*; or
- (d) any failure to deliver natural gas to any *Delivery Point* or any other loss, damage or expense suffered by the *User* caused by any defect or abnormal conditions in the *User's* equipment or that belonging to any other user of the *Network* or other person connected to the *Network*.

4.5.2 Limitations on Country Energy Gas' liability

If there is any event or circumstance other than those described in section 4.5.1, notwithstanding any other provision, *Country Energy Gas* (including its directors, officers, employees, authorised agents, contractors, sub-contractors and professional advisers) will only be liable for:

- (a) the direct loss or damage to the *User* (excluding any loss of profit by the *User*, or the amount of any damage awarded against the *User* in favour of, or moneys paid by the *User* by way of settlement to any third party and any costs or expenses of the *User* in connection with the same) arising from *Country Energy Gas'* failure to comply with or observe any provision of this *Access Arrangement* or the *Reference Service Agreement*; and
- (b) in respect of such direct loss or damage to the *User*, up to the maximum sum of \$20,000 for any single event or circumstance of failure described in paragraph (a) above (and a series of such failures arising from the same event or circumstance of failure) and up to the maximum sum of \$100,000 in respect of events or circumstances of failure described in (a) above occurring in any one period of 365 consecutive *Days*.

4.5.3 User Indemnity

The *User* must indemnify *Country Energy Gas* against:

- (a) any damage, expense, loss or cost *Country Energy Gas* suffers or incurs as a result of, or in connection with, or arising out of the performance of the *Reference Service Agreement* by the *User* or any breach of the *Reference Service Agreement* by the *User* including any consequential loss or loss of profits; and

- (b) any claim, demand, action or proceeding whatsoever made or brought by any person in connection with any such breach of the *Reference Service Agreement* by the *User*.

4.5.4 User's liability

The *User* will not in any circumstance be liable to *Country Energy Gas* for:

- (a) any failure by the *User* to perform, observe or comply with any provision of this *Access Arrangement* or the *Reference Service Agreement* caused by *Country Energy Gas*' failure to perform, observe or comply with the same; or
- (b) any failure by the *User* to perform, observe or comply with any provision of this *Access Arrangement* or the *Reference Service Agreement* caused by any defect or abnormal conditions in the *Network*.

5. CAPACITY MANAGEMENT POLICY

5.1 Contract Carriage Pipeline

The *Network* is a *Contract Carriage Pipeline*.

6. TRADING POLICY

6.1 Bare Transfer

A *User* will be entitled to make a *Bare Transfer* of all or part of its *MDQ* without *Country Energy Gas*' consent so long as the transferee notifies *Country Energy Gas* of:

- (a) the *User* who made the transfer or assignment;
- (b) the amount of the *MDQ* which was transferred or assigned; and
- (c) the location of the *Delivery Point* which is the subject of the transfer, prior to utilising any *MDQ* so transferred or assigned.

6.2 Other Transfers

6.2.1 Conditions for Other Transfers

Where a *User* wishes to transfer or assign some or all of its *MDQ* other than by way of *Bare Transfer* the *User* may do so with *Country Energy Gas*' prior written consent. *Country Energy Gas* will only withhold its consent or make its consent subject to conditions on reasonable commercial or technical (including safety) grounds, including where:

- (a) there is not sufficient *Capacity* either before or as a result of the transfer or assignment to enable the amount of the *MDQ* transferred or assigned to be delivered to the proposed new *Delivery Point*; or
- (b) the effect of the transfer or assignment would be that *Country Energy Gas* would receive less revenue as a result of the transfer or assignment; or
- (c) where the proposed transferee is unable to satisfy *Country Energy Gas* that it is able to meet the relevant requirements set out in section 2.5 of this *Access Arrangement*.

6.2.2 Application for Other Transfers

Where a *User* wishes to transfer or assign some or all of its *MDQ* other than by way of *Bare Transfer* it must provide sufficient information to *Country Energy Gas* in order to assess whether the transfer or assignment is reasonable on commercial or technical (including safety) grounds, including:

- (a) the *User* who proposes to make the transfer or assignment;
- (b) the amount of the *MDQ* which is to be transferred or assigned;
- (c) the location of the *Delivery Point* from which the relevant amount of the *MDQ* is to be transferred or assigned;
- (d) the location of the *Delivery Point* to which the relevant amount of the *MDQ* is to be transferred or assigned;

- (e) the dates and number of *Days* to which the transfer or assignment is to relate; and
- (f) the ability of the transferee to meet the requirements set out in section 2.5 of this *Access Arrangement*,

as soon as it is practicable to do so before the transfer or assignment is proposed to take place (and in any event not later than 14 *Business Days* prior to the date of the proposed trade). If at the time the application is made the *User* informs *Country Energy Gas* that due to hardship the *User* requires an urgent reply to its application, *Country Energy Gas* will use reasonable endeavours to respond to the application within two *Business Days* of receiving it.

6.3 Original User Continues to Pay

A *User* who transfers or assigns any of its *MDQ* remains liable to *Country Energy Gas* for all charges or other amounts payable to *Country Energy Gas* in respect of the part of the *MDQ* transferred or assigned unless *Country Energy Gas* expressly agrees in writing that some other person will be liable for some or all of those charges or other amounts, and the other person concerned has agreed to be liable to *Country Energy Gas* in respect of those amounts.

6.4 Change of Delivery Point

6.4.1 Conditions for Changes in Delivery Point

A *User* will be entitled to change the *Delivery Point* specified in a *Reference Service Agreement* with *Country Energy Gas*' prior written consent. *Country Energy Gas* may refuse its consent or make the granting of consent subject to conditions where this is commercially or technically reasonable including where:

- (a) a reduction in the *User's MDQ* at the original *Delivery Point* will not result in a corresponding increase in *Country Energy Gas*' ability to provide that *Service* to the alternative *Delivery Point*; or
- (b) *Country Energy Gas* would not, after the change, receive at least the same amount of revenue it would have received before the change.

6.4.2 Application for Change in Delivery Point

Where a *User* wishes to change a *Delivery Point* it must provide sufficient information to *Country Energy Gas* in order to assess whether the change is reasonable on commercial or technical (including safety) grounds, including:

- (a) the locations of the *Delivery Points* which are to be changed;
- (b) the amount of the *MDQ* which is the subject of the change;
- (c) the proposed date upon which the change in *Delivery Points* is to occur,

as soon as it is practicable to do so before the proposed change in *Delivery Point* (and in any event not later than 14 *Business Days* prior to the date of the proposed change in *Delivery Point*).

6.5 Change of Receipt Point

6.5.1 Conditions for Changes in Receipt Point

A *User* will be entitled to change the *Receipt Point* from that specified in a *Reference Service Agreement* with *Country Energy Gas*' prior written consent. *Country Energy Gas* may withhold its consent only on reasonable commercial or technical grounds, and may make the consent subject to reasonable commercial and technical conditions.

6.5.2 Application for Change in Receipt Point

Where a *User* wishes to change a *Receipt Point* it must provide sufficient information to *Country Energy Gas* in order for it to assess whether the change is reasonable on commercial or technical (including safety) grounds, including:

- (a) the locations of the *Receipt Points* which are to be changed;
- (b) the amount of the *MDQ* which is the subject of the change;
- (c) the proposed date upon which the change in *Receipt Points* is to occur,

as soon as it is practicable to do so before the proposed change in *Receipt Point* (and in any event not later than 14 *Business Days* prior to the date of the proposed change in *Receipt Point*).

7. EXTENSIONS AND EXPANSIONS POLICY

7.1 Coverage

7.1.1 Extensions

- (a) Subject to this clause, an extension of the *Covered Pipeline* will be taken to form part of the *Covered Pipeline* (and will be treated for all purposes as part of the *Covered Pipeline*) from the date of completion of the extension.
- (b) *Country Energy Gas* may apply to *IPART* in writing for a declaration by *IPART* that paragraph (a) will not apply to the extension referred to in the application.
- (c) After considering an application and undertaking such consultation as *IPART* considers appropriate, *IPART* must advise *Country Energy Gas* whether or not it makes the declaration.
- (d) A declaration may be made on such reasonable conditions determined by *IPART* and will have the operation specified in the declaration.

7.1.2 Expansions

Any expansion of the *Capacity* of the *Network* will be treated as part of the *Network* and accordingly will be the subject of coverage under this *Access Arrangement*.

7.2 Extensions/Expansions and Tariffs

- (a) No extension or expansion will affect *Reference Tariffs*. *Country Energy Gas* will offer *Reference Services* at the *Reference Tariffs* in respect of extensions or expansions that are to be treated as part of the covered pipeline.
- (b) *Country Energy Gas* may levy a *Surcharge* in respect of such *Reference Services* where a *Surcharge* is permitted under the Code.
- (c) Despite sections 7.2 (a) and (b), nothing prevents *Country Energy Gas* and a *Prospective User* or *Users* from agreeing that the *Prospective User* or *Users* will contribute to the funding of a *New Facility*. In such a case the level of funding and subsequent tariff arrangements will be as agreed between the parties.

7.3 New Developments

7.3.1 Payment or Construction by Developers

Where *New Facilities* are required to be undertaken in order to provide services to a *New Development*, then *Country Energy Gas* may require:

- (a) the *Developer* to reimburse *Country Energy Gas* for part or all of the cost of the *New Facilities* located within the geographic boundary of the *New Development*; and/or
- (b) the *Developer* to pay for and arrange for the construction of the *New Facilities* located within the geographic boundary of the *New Development*; and/or
- (c) where the provision of gas to the *New Development* would otherwise not pass the economic feasibility test in section 8.16(b)(i) of the *Code*, the *Developer* to contribute to the cost of *New Facilities* outside the geographic boundary of the *New Development* required to the extent that the economic feasibility test is met.

7.3.2 Payment by Developers

Where under section 7.3.1 a *Developer* is required to contribute to the cost of the construction of *New Facilities*, then:

- (a) *Country Energy Gas* will be the owner of the *New Facilities*; and
- (b) the amount of the *New Facilities Investment* entering the *Capital Base* will be the total cost of the project less the contribution from the *Developer*.

7.3.3 Construction by Developers

Where under section 7.3.1(b) the *Developer* is required to pay for and arrange the construction of *New Facilities*, then:

- (a) the *Developer* and/or any persons engaged by the *Developer* to construct the *New Facilities* must be approved by *Country Energy Gas* and must comply with any guidelines, rules, codes and conditions established by *Country Energy Gas* and relevant *Laws*. *Country Energy Gas* reserves the right to supervise the work and to charge the *Developer* for the cost of that supervision; and
- (b) the *New Facilities Investment* will not be included in the *Capital Base* for the purposes of calculating *Reference Tariffs*.

8. REVIEW OF ACCESS ARRANGEMENT

8.1 Revisions Commencement Date

The date upon which revisions to the *Access Arrangement* are intended to commence (the *Revisions Commencement Date*) is 1 July 2010.

In the event that proposed revisions to the *Access Arrangement* are not approved by *IPART* and put into effect by the *Revisions Commencement Date*, then:

- (a) this *Access Arrangement*, including the terms and conditions, will continue to apply; and
- (b) *Reference Tariffs* and other fees set out in this *Access Arrangement* applying for 2009-10, will increase by the *Change in the CPI* on the *Revisions Commencement Date* and thereafter on 1 July each Year until such time as revisions to this *Access Arrangement* are approved.

8.2 Revisions Submission Date

The date upon which revisions to the *Access Arrangement* will be submitted to *IPART* (the *Revisions Submission Date*) is 1 July 2009.



Glossary

Unless the context otherwise requires, the following expressions have the following meanings when used in this *Access Arrangement*.

“Acceptable Credit Criteria” means, in relation to an entity, that the entity:

- (a) is resident in, or has a permanent establishment in Australia
- (b) is not under external administration (as defined in the *Corporations Act*) or under a similar form of administration under any laws applicable to it in any jurisdiction;
- (c) is not immune from suit;
- (d) is capable of being sued in its own name in a court in Australia; and
- (e) maintains an unqualified credit rating of not less than:
 - (1) BBB from Standard and Poor's (Australia) Pty Limited; or
 - (2) Baa from Moody's Investor Service Pty Limited; or
 - (3) an equivalent credit rating as determined by *Country Energy Gas*.

“Access Arrangement” means this Access Arrangement lodged by *Country Energy Gas* and approved by *IPART*.

“Access Arrangement Information” means the document entitled *Access Arrangement Information* which accompanies this *Access Arrangement*.

“Access Arrangement Period” means the period from 1 January 2006 to 30 June 2010.

“Access Dispute” has the same meaning as in the *Code*.

“Additional Services” are the *Residential Meter Testing Service*, the *Special Meter Reading Service*, the *Reconnection Service*, the *Disconnection Service*, the *Business Disconnection/Reconnection Service* and the *After Hours Reconnection Service*.

“After Hours Reconnection Service” has the meaning given to it in section 2.3.3.

“**Bare Transfer**” means in respect of a *User* a transfer or assignment of all or part of the *MDQ* of a *User* under a *Reference Service Agreement* to the extent that:

- (a) the *User's* obligations under the agreement remain in full force and effect after the transfer or assignment; and
- (b) the terms of the *Reference Service Agreement* are not altered as a result of the transfer or assignment.

“**Bomen Receipt Point**” means the outlet immediately downstream of the *Metering Facilities* owned and operated by the *Transmission Operator* located at the Wagga Wagga gate station at Lot 2 Byrnes Road, Bomen.

“**Bond**” means a payment by a *Prospective User* or *User* to *Country Energy Gas* under section 2.6.1(a)(1).

“**Bond Amount**” means the amount of a *Bond* required to be posted under section 2.6.1(a)(1) or section 2.6.5.

“**Business Day**” means a day other than a Saturday, Sunday or a declared public holiday in New South Wales.

“**Business Disconnection/Reconnection Service**” has the meaning given to it in section 2.3.3.

“**Capacity**” means at a point in time the capability of the *Network* or a particular section of the *Network* to transport natural gas between defined points, taking into account the configuration of the *Network* and its operational requirements, as determined by *Country Energy Gas* using its then current load flow model of the *Network*.

“**Capacity Entitlement**” means in relation to a *User* and a *Delivery Point* of that *User*, the *MDQ* of that person in relation to that *Delivery Point* plus the amount, if any, of any *Contracted Capacity* of any other *Users* that has been transferred or assigned to the first mentioned *User* less the amount, if any, of any *Contracted Capacity* of the first mentioned *User* in relation to that *Delivery Point* that is transferred or assigned to another *User*.

“**Capital Base**” has the same meaning as in the *Code*.

“**Capital Contribution**” has the same meaning as in the *Code*.

“**Change in the CPI**” for a *Year t* means the average of the *CPI* for the four quarters to the December quarter immediately preceding that *Year* divided by the average of the *CPI* for the four quarters to the December quarter immediately preceding *Year t-1*.

“**Code**” means the National Third Party Access Code for Natural Gas Pipeline Systems.

“**Contract Customer**” has the meaning given in section 2.3.1.

“**Contracted Capacity**” means, in respect of a *User*, that part of the *Capacity* which has been reserved by that *User* pursuant to an agreement entered into with *Country*

Energy Gas.

“**Confidential Information**” has the same meaning as in the *Code*.

“**Contract Transportation Service**” means the provision of the service set out in section 2.3.1 to a *Contract Customer* in accordance with a *Reference Service Agreement*.

“**Contracted Capacity**” means, in respect of a user of the *Network*, that part of the *Capacity* of the *Network* which has been reserved by that user pursuant to a contract entered into with *Country Energy Gas*.

“**Corporations Act**” means the Corporations Act 2001.

“**Country Energy Gas**” means Country Energy Gas Pty Ltd ACN 083 199 839

“**CPI**” means the Consumer Price Index: All Groups, index number weighted average of eight capital cities published by the Australian Bureau of Statistics from time to time and if the Australian Bureau of Statistics ceases to calculate and publish such an index then CPI will mean any index that substantially replaces that index.

“**Credit Support**” has the meaning given in section 2.6.2.

“**Credit Support Amount**” means the amount of *Credit Support* required to be posted under section 2.6.2(d) or section 2.6.5

“**Credit Support Provider**” means a person who has provided *Credit Support* to a *User* and who satisfies the requirements in section 2.6.4.

“**Customer**” means a person that uses natural gas at a *Delivery Point*.

“**Day**” means (unless otherwise advised by *Country Energy Gas*) a period of 24 hours beginning at 06.30 Eastern Standard Time.

“**Data Consent Form**” means the form of that name included as Annexure A to the *Network Code*, as amended from time to time.

“**Delivery Point**” means the point on the *Network* nominated or defined in a *Reference Service Agreement* at which natural gas is withdrawn from the *Network* by a *User* for use by a *Customer*. A *Delivery Point* may in certain circumstances consist of one, two or more sets of *Metering Facilities* servicing a particular *Customer's* site or premises, or servicing a third party network.

“**Developable Capacity**” has the same meaning as in the *Code*.

“**Developer**” means in relation to a *New Development*, the person or persons responsible for undertaking the subdivision, including the agent or agents of that person or persons.

“**Disconnection Service**” has the meaning given to it in section 2.3.3.

“**Existing Supplier**” means a *User* holding appropriate consents under section 2.5.2 who is a party to a *Reference Service Agreement*.

“First Access Arrangement” means the *Access Arrangement* in place for the *Network* during the *First Access Arrangement Period*.

“First Access Arrangement Period” means the period under which the *First Access Arrangement* for the *Network* applied, being 1 October 1999 to 31 December 2005.

“Gas Act” means the Gas Supply Act 1996 (NSW).

“Gas Market Company” means the Gas Market Company Limited ACN 095 400 250.

“Gas Retail Market Business Rules” means the Gas Retail Market Rules to Support Retail Competition in Gas, as amended from time to time.

“GJ” means gigajoules.

“Incremental User” has the same meaning as in the *Code*.

“IPART” means the Independent Pricing and Regulatory Tribunal of New South Wales or any successor body appointed to replace it or carry out functions currently undertaken by Independent Pricing and Regulatory Tribunal pursuant to the *Code*, the *Gas Act* and the Gas Pipelines Access (New South Wales) Act 1998.

“kPa” means kilopascals.

“Last Resort Supply Event” means the events set out in section 70(1) of the Gas Supply (Natural Gas Retail Competition) Regulation 2001.

“Laws” means all laws including statutes, regulations, licences, authorisations and codes as well as any determinations of any governmental agency under such laws applying from time to time.

“Load Shedding Procedures” means the procedures for the progressive shedding of loads supplied by the *Network* in the event of a failure in the *Network* or a failure in supply to the *Network* as set out in section 4.3 of this *Access Arrangement*.

“Maximum Meter Flow Rate” means in respect to a *Delivery Point*, the maximum volume flow of natural gas that can pass through the *Metering Facilities* at that *Delivery Point*.

“MDQ” or **“Maximum Daily Quantity”** means the maximum daily quantity of natural gas which *Country Energy Gas* is required to transport and which the *User* may withdraw under a *Reference Service Agreement* (excluding *overruns*).

“Metering Facilities” means the meter(s) and any associated filter(s), regulator(s), or other equipment, and pipework, by which the natural gas delivered to the *User* is conditioned, controlled, and metered, and includes any supporting infrastructure including enclosures.

“MHQ” or **“Maximum Hourly Quantity”** means the maximum hourly quantity of natural gas which *Country Energy Gas* is required to transport and which the *User* may withdraw under a *Reference Service Agreement* (excluding *overruns*).

“Minimum Delivery Pressure” means:

- (a) in respect of a *Delivery Point* which delivers gas to a *Contract Customer*, 7 kPa; and
- (b) in respect of any other *Delivery Point*, 1.5 kPa.

“Monthly Capacity Charge” means the monthly charge payable under the *Reference Tariff* for the *Contract Transportation Service* based on the *MDQ* of a *Delivery Point*, as set out in section 3.1.1(a).

“Monthly Fixed Charge” has the meaning given in section 3.1.2(a).

“Monthly Metering Charge” has the meaning given in section 3.1.1(b).

“Negotiated Service” means a service negotiated between *Country Energy Gas* and a *User* in respect of the *Network* that is not a *Reference Service*.

“Negotiated Service Agreement” means an agreement between a *User* and *Country Energy Gas* relating to the provision of a *Negotiated Service*.

“Network” means *Country Energy Gas*’ natural gas distribution system serving Wagga Wagga and surrounding areas in place at 1 January 2006, plus any additions to the *Network* that are covered in accordance with section 7.

“Network Code” means the Gas Network Code for Full Retail Competition issued by the Ministry of Energy and Utilities, as amended from time to time.

“New Development” means a subdivision of one or more residential, commercial or industrial lots for the purposes of sale or disposal by a *Developer*.

“New Facility” has the same meaning as in the *Code*.

“New Facilities Investment” has the same meaning as in the *Code*.

“Outstanding Amount” means any amount specified in an invoice for *Transportation Services* which is unpaid by the due date for payment.

An **“Overrun”** occurs where the withdrawals by a particular *User* at a *Delivery Point* on a *Day* exceeds or is forecast to exceed the *Capacity Entitlement* of that *User* for that *Delivery Point* on that *Day*.

“Pass Through Event” has the meaning given in section 3.4.1(b).

“Pass Through Item” means any royalty, duty, excise, tax, impost, levy fee or charge imposed by any government or regulator (including *IPART*), minister, agency or other authority in respect of the operation or administration of the *Network* or in the provision of *Reference Services*, and including (for the avoidance of doubt):

- (a) the reticulator’s authorisation fee paid by *Country Energy Gas*;
- (b) costs associated with changes in service standards where *Country Energy Gas* has been directed, ordered or required to make such changes as a result of legislation or regulatory arrangements;
- (c) costs associated with changes in statutory occupational health and safety requirements;

- (d) costs associated with changes to any retailer of last resort scheme (ROLR) or a 'last resort supply event' (as defined in the Gas Supply (Natural Gas Retail Competition) Regulation 2001); and
- (e) costs associated with changes to full retail contestability requirements.

The following items are expressly excluded from this definition:

- (a) any tax in the nature of an income tax or a capital gains tax;
- (b) penalties, charges, fees and interest on late payments, or deficiencies in payments relating to any Pass-through Item;
- (c) stamp duty, or similar taxes and duties; and
- (d) any pass-through item that replaces or is the equivalent of or similar to any of the items referred to above.

"Pipelines" means a pipe, or system of pipes, or part of a pipe, or part of a system of pipes, for transporting natural gas, and any tanks, reservoirs, machinery or equipment directly attached to the pipe, or system of pipes, but does not include:

- (a) anything upstream of an exit flange on a pipeline conveying natural gas from a gas processing plant;
- (b) a gathering system operated as part of an upstream producing operation;
- (c) any tanks, reservoirs, machinery or equipment used to remove or add components to or change natural gas (other than odourisation facilities) such as a gas processing plant;
- (d) anything downstream of the *Delivery Point* of a *Customer*, or
- (e) anything upstream of a *Receipt Point*.

"Priority Date" means the date at which a completed *Request for Service* is received by *Country Energy Gas*.

"Prospective User" means any person who submits a *Request For Service* (and in respect of that *Request For Service* includes any *User* who submits a *Request For Service*).

"Receipt Point" means either the *Bomen Receipt Point* or the *Uranquinty Receipt Point*.

"Reconnection Service" has the meaning given to it in section 2.3.3.

"Reference Services" are the *Contract Transportation Service* and the *Volume Transportation Service*.

"Reference Service Agreement" is an agreement between *Country Energy Gas* and a *User* for the provision of a *Contract Transportation Service*, a *Volume Transportation Service* or an *Additional Service* in the form set out in Appendix 1.

"Reference Tariff" means the tariff for a *Transportation Service* or an *Additional Service*, as set out in or established pursuant to, this *Access Arrangement*.

“Reference Tariff Component” means an individual price element comprising part of a *Reference Tariff*.

“Residential Meter Testing Service” has the meaning given to it in section 2.3.3.

“Retailer of Last Resort” means the supplier to whose authorisation is attached a retailer of last resort’s endorsement in respect of the *Network*.

“Request For Service” means a completed application under section 2.4.1.

“Revisions Commencement Date” has the meaning given in section 8.1.

“Revisions Submission Date” has the meaning given in section 8.2

“Safety and Operating Plan” means *Country Energy Gas’ Safety and Operating Plan* as required by the Gas Supply (Safety and Operating Plans) Regulations 1997 (NSW).

“Service” has the same meaning as in the *Code*.

“Service Agreement” means a *Transportation Services Agreement* or a *Negotiated Service Agreement*.

“Services Policy” has the same meaning as in the *Code*.

“Small Retail Customer” has the meaning given to the term in *Gas Act*.

“Special Meter Reading Service” has the meaning given to it in section 2.3.3

“Surcharge” has the same meaning as in the *Code*.

“TJ” means terajoules.

“Transmission Operator” means the owner of the transmission pipeline located upstream of the *Receipt Points*.

“Transportation Service” means a *Contract Transportation Service* or a *Volume Transportation Service*.

“Unaccounted for Gas” means the amount of natural gas metered as received at a *Receipt Point* which is not metered as delivered at a *Delivery Point*, being natural gas which is lost through leakages in the *Network* or not accounted for due to metering errors or theft.

“Uranquinty Receipt Point” means the outlet immediately downstream of the *Metering Facilities* owned and operated by the *Transmission Operator* located at Uranquinty Cross Road, Uranquinty.

“User” means a person to whom *Country Energy Gas* provides a service under a *Reference Service Agreement*.

“Volume Customer” has the meaning given in section 2.3.2.

“Volume Transportation Service” means the provision of the services set out in section 2.3.2 to a *Volume Customer* in accordance with a *Reference Service Agreement*.

“Volumetric Charge” has the meaning given in section 3.1.2(b).

“Year” means each twelve month period from 1 July to 30 June.

“Zone” means the Bomen Zone, the Central Zone or the Fringe Zone, as defined in Appendix 5 to this *Access Arrangement*.



Appendix 1
Reference Service Agreement



Appendix 2

Indicative Reference Tariffs

Reference Tariffs, Monthly Metering Charges and Additional Services will change over time in accordance with the procedures and formulae set out in section 3 and Appendix 3 of this Access Arrangement. All charges in this Appendix 2 are exclusive of GST.

A2.1 Indicative Reference Tariffs

The initial *Reference Tariffs* for the period 1 January 2006 to 30 June 2006 along with indicative *Reference Tariffs* for the remainder of the regulatory period from 1 July 2006 to 30 June 2010 are illustrated in the table below.

\$ Nominal	Maximum Meter Flow Rate (m ³ /hr)	1/1/06 - 30/6/06	1/7/06 - 30/6/07	1/7/07 - 30/6/08	1/7/08 - 30/6/09	1/7/09 - 30/6/10
VOLUME						
Residential and Small Business	10					
Annual Charge \$		149.19	154.69	162.02	168.37	173.45
\$/GJ		3.80	3.94	4.13	4.29	4.42
Commercial	30					
Annual Charge \$		394.21	354.79	319.31	287.38	261.69
\$/GJ		2.98	2.38	1.90	1.71	1.71
Industrial	150					
Annual Charge \$		1,379.74	1,241.77	1,117.59	1,033.77	939.23
\$/GJ		2.98	2.38	1.90	1.71	1.71
CONTRACT						
(\$/GJ of MDQ/year)						
Bomen	N/A	78.68	81.43	84.28	87.23	89.80
Central	N/A	217.61	191.49	172.34	158.56	154.52
Fringe	N/A	464.49	427.33	393.14	361.69	359.66

A2.2 Monthly Metering Charges

Monthly Metering Charges for Contract Customers with the meter types in the table below at a Delivery Point, as at 31 December 2005 are:

Meter Type	Initial Monthly Metering Charge (\$ nominal)
6GT	480.7
4GT	467.3
AL5000	503.6
AL2300	475.9
AL1000	420.3
7M175	423.2
5M175	415.8
3M175	439.6

Monthly Metering Charges for Customers who become Contract Customers after 31 December 2005 will be established on a case-by-case basis by Country Energy Gas and will be set to recover:

- the capital cost of the Metering Facilities at the Delivery Point over a 15 year period as well as a rate of return on those Metering Facilities; plus
- annual operations, maintenance and testing costs, which will be set at 5% of the capital cost of the Metering Facilities; plus
- the cost of electronic meter reading of the Metering Facilities, which is \$385 per Year, subject to any increase under Section 3.3.

A2.3 Additional Services

Additional Service	Initial Charges 1 January 2006 (\$ real 2005/06)
Residential Meter Testing Service	208
Special Meter Reading Service	36
Reconnection Service	42
Disconnection Service	36
Business Disconnection/Reconnection Service	85
After Hours Reconnection Service	100



Appendix 3 Tariff Formula

This Appendix sets out the manner in which *Reference Tariffs*, *Monthly Metering Charges* and *Additional Services* will change on 1 July 2006 and 1 July each Year thereafter throughout the *Access Arrangement Period*.

A3.1 Reference Tariffs

A3.1.1 Reference Tariff Control Formula

Reference Tariffs will change on 1 July in accordance with the following formula:

$$(1 + \text{CPI}_t - X_{t+1}) \geq \frac{\sum_{i=1}^n \sum_{j=1}^m P_{ij}^{t+1} * Q_j^{t-1}}{\sum_{i=1}^n \sum_{j=1}^m P_{ij}^t * Q_j^{t-1}}$$

P_{ij}^{t+1} is the proposed price for component j of tariff i in the coming Year;

P_{ij}^t is the price currently being charged for component j of tariff i

Q_j^{t-1} is the quantity of component j of tariff i sold in the previous Year

CPI_t is the *Change in the CPI*, (as defined in the Glossary) minus 1

X_{t+1} is the real change in average prices from year t to year t+1, as set out below

As set out in section 3.4.5 amendments to *Reference Tariffs* as a result of a *Pass Through Event* are not taken into account when determining compliance with the formula in this Appendix 3.

A3.1.2 X Factors

The X Factors to be used in the above formulae are as follows:

Prices for Year	X_{t+1} Factor
1 Jan 2006	2.9%
2006-07	0%
2007-08	0%
2008-09	0%
2009-10	0%

A3.2 Monthly Metering Charges and Additional Services

The fees provided in Appendix 2 for *Monthly Metering Charges* and *Additional Services* will change on 1 July each Year by the *Change in the CPI*.



Appendix 4 Request for Service

Country Energy Gas Pty Ltd (a subsidiary of Country Energy)
ACN 083 199 839

30 Morisset Street
QUEANBEYAN NSW 2670

Telephone 02 6214 9890 Fax: 02 6214 9888
email: gas.networks@countryenergy.com.au

REQUEST FOR GAS TRANSPORTATION SERVICE

This Request for Service is to be completed in accordance with the instruction sheet for completing this form, as provided by Country Energy Gas.

1. Country Energy Gas reserves the right to return the application if any information provided is incomplete or incorrect
2. Completion of this Request for Service does not guarantee that Country Energy Gas will make an offer for gas transportation
3. Any offer for gas transportation is subject to the terms and conditions of Country Energy Gas' Reference Service Agreement
4. The meter set, location requested and connected appliances must comply with any gas fitting rules issued by Country Energy Gas, and other relevant standards
5. Completed applications are to be returned to Country Energy Gas at the above address or by fax

Request for Service

Site#: <input type="text"/>	DPI CheckSum <input type="text"/>	New Service <input type="text"/>	Receipt Point ID <input type="text"/>
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(A) SITE DETAILS

A1: Site, Premises Type & LPG Conversion:

Site Type: <input type="checkbox"/> Ind <input type="checkbox"/> Com <input type="checkbox"/> Res	Premises Type: <input type="checkbox"/> New <input type="checkbox"/> Exist	Is End User converting from LPG? <input type="checkbox"/> Yes <input type="checkbox"/> No
---	--	---

A2: Delivery Point Site Address:

U/Lvl/Flat: <input type="text"/>	Lot/St No: <input type="text"/>	Street: <input type="text"/>
Suburb: <input type="text"/>	City: <input type="text"/>	Post Code: <input type="text"/>

A3: End User Site/Contact Names:

Mr/Mrs/Ms <input type="text"/>	First Intl <input type="text"/>	Last/Reg Business/Trading Name <input type="text"/>
Telephone: B/H#: <input type="text"/>	A/H#: <input type="text"/>	Fax#: <input type="text"/>
		Mobile#: <input type="text"/>

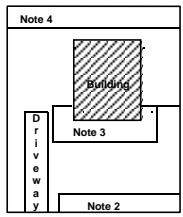
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(B) DELIVERY POINT DETAILS

B1: Delivery Point (DP) Access and Requested Service Dates:

Is End User presence required for access to DP <input type="checkbox"/>	Service Period Dates: Start: <input type="text"/>	End: <input type="text"/>
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B2: New Delivery Points- Preferred Location:

<input type="text"/>	Relevant Information:	 <p>Front Boundary Place X for preferred meter location</p>
<input type="text"/>	Note 1 Meter shall not be located behind gate or fences.	
<input type="text"/>	Note 2 Acceptable meter location highlighted by shaded areas one metre from corner of building.	
<input type="text"/>	Note 3 If sufficient clearance is not available bollards shall be installed to protect the meter assembly.	
	Note 4 Meter may be located at rear line if accessible gas main is available and the meter is protected from third party damage. The meter be to be accessible for meter reading and emergencies.	
Approximate length of service from property boundary to delivery point		

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(D) PLUMBER & RETAILER DETAILS

C1: Appliance Gas Load Information (to be completed for appliances with connected gas rates less than 100 MJ/h):

<input type="checkbox"/> Cooking	<input type="checkbox"/> Stored Hot Water	<input type="checkbox"/> Instant Hot Water	<input type="checkbox"/> Flued Heating	<input type="checkbox"/> Unflued Heating	<input type="checkbox"/> Central Heating
<input type="checkbox"/> Spa/Pool	Other: <input type="text"/>			Total Gas Rate, MJ/h:	<input type="text"/>

C2: Appliance Gas Load Information (to be completed for appliances with connected gas rates greater than 100 MJ/h):

Appliance Description	Design Rate MJ/h	Operating Capacity %	Hours per Day	Days per Week	Weeks per Year	Total Annual Load MJ
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

C3: Delivery Point Gas Load Requirements (to be completed where delivery point gas rates are greater than 100 MJ/h):

	Existing	New/ Additional	Final Total
Total Connected Gas Load, GJ:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Max Hourly Load, GJ:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Min Hourly Load, GJ:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Max Daily Load, GJ:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Annual Load, GJ:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Req Delivery Point Pressure, kPa:	<input type="text"/>	<input type="text"/>	<input type="text"/>

D1: Plumber/Gasfitter Details:

Plumber's Name:	<input type="text"/>	Licence#:	<input type="text"/>	Phone#:	<input type="text"/>
Trading Name:	<input type="text"/>			Fax#:	<input type="text"/>
Address:	<input type="text"/>			Mobile#:	<input type="text"/>
				Email:	<input type="text"/>

D2: Retailer Details:

Retailer's Name:	<input type="text"/>			Phone#:	<input type="text"/>
Applicant Name:	<input type="text"/>			Fax#:	<input type="text"/>
Applicant Title:	<input type="text"/>			Mobile#:	<input type="text"/>
Signature:	<input type="text"/>	Date:	<input type="text"/>	Email:	<input type="text"/>



Appendix 5

Schematic Diagram of the Network