



# ENVESTRA DISTRIBUTION NETWORKS

## ANNUAL COMPLIANCE REPORT for 2012/13

24 September 2013

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The following constitutes the Annual Compliance Report for the compliance period 2012/13 for the covered gas distribution networks owned by Envestra, for which the respective service providers are Envestra Limited, Vic Gas Distribution Pty Ltd, The Albury Gas Company Ltd and Envestra (NSW) Pty Ltd.

Below is each compliance requirement followed by the relevant response.

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### 1. General duties for the provision of pipeline services of covered pipeline services by a service provider

#### 1.1 Legal Entity

- a) *Nominate the type of legal entity the service provider is according to the specified kinds of legal entity in section 131 of the NGL.*

Envestra is a legal entity registered under the Corporations Act 2001 of the Commonwealth.

- b) *What is the registered business name and ABN of the service provider legal entity providing the covered pipeline service?*

Registered Business Name	ABN	Covered Pipeline
Envestra Limited	19 078 551 685	Envestra South Australian Gas Distribution System
Envestra Limited	19 078 551 685	Envestra Queensland Gas Distribution System
Vic Gas Distribution Pty Ltd	73 085 899 001	Envestra Victorian Distribution System
The Albury Gas Company Ltd	84 000 001 249	Albury Distribution System
Envestra (NSW) Pty Ltd	94 083 199 839	Wagga Wagga Gas Distribution System

- c) *Provide an outline of the group structure which is controlled by or which the service provider is a part (including identification of the head company, nature of investment or entity, relationship to the service provider and proportion of assets owned/share of investment within the group). This should include any assets (businesses) it owns or that own it. The group structure should include business that are beneficially controlled such as trustee companies, jointly owned or operated business such as partnerships or joint ventures, businesses that are significant investments or controlled. This can also be represented as an organisational chart.*

The Albury Gas Company Ltd is a wholly owned subsidiary of Vic Gas Distribution Pty Ltd, which in turn is a wholly owned subsidiary of Envestra Ltd.

Envestra (NSW) Pty Ltd is a wholly owned subsidiary of Envestra Ltd.

#### 1.2 Preventing or hindering access

- a) *Is the service provider aware of any claims that it has prevented or hindered access to services on the covered pipeline within the terms of section 133 of the NGL?*

No

#### 1.3 Supply and haulage of natural gas

- a) *Does a producer supply natural gas through the covered pipeline at a place other than the exit flange of the producer's processing plant?*

No

#### 1.4 Queuing requirements

- a) *Has the service provider complied with the queuing requirements of the applicable access arrangement during the year?*

Yes

#### 1.5 Service provider providing light regulation services must not price discriminate

- a) *Does the service provider provide light regulation services?*

No

- b) *If so, are there any differences in the prices of the provision of those services? Please provide an explanation as to why these price differences exist.*

### 2. Structural and Operational Separation Requirements (Ring Fencing)

#### 2.1 Carrying on of a related business

- a) *Provide a list of associates of the service provider that take part in a related business and for each associate describe what the nature of the related business is.*

No associates.

- b) *Provide a list of associates that are service providers and / or provide pipeline services.*

No associates.

#### 2.2 Marketing staff and the taking part in related businesses

- a) *Provide a list of associates of the service provider that are directly involved in the sale, marketing or advertising of pipeline services.*

No associates.

- b) *Provide a statement as to whether or not any of the service provider's marketing staff are also officers, employees, consultants, independent contractors or agents of an associate of the service provider that takes part in a related business.*

Envestra has no associates. Therefore none of Envestra's marketing staff are also officers, employees, consultants, independent contractors or agents of an associate that takes part in a related business.

- c) *Provide a statement as to whether or not any of the service provider's officers, employees, consultants, independent contractors or agents are also marketing staff of an associate of the service provider that takes part in a related business.*

Envestra has no associates. Therefore none of Envestra's marketing staff are also officers, employees, consultants, independent contractors or agents of an associate that takes part in a related business.

#### 2.3 Separate accounts must be prepared, maintained and kept

- a) *Provide a statement as to whether or not the service provider has prepared, maintained and kept a separate set of accounts in respect of the services provided by every covered pipeline owned or operated by the service provider.*

The Service Provider maintains a separate set of accounts for each covered pipeline.

- b) Name the legal entity or entities in which the separate accounts are reported, maintained or kept for the services provided by each covered pipeline owner or operator?

Registered Business Name	ABN	Covered Pipeline
Envestra Limited	19 078 551 685	Envestra South Australian Gas Distribution System
Envestra Limited	19 078 551 685	Envestra Queensland Gas Distribution System
Vic Gas Distribution Pty Ltd	73 085 899 001	Envestra Victorian Distribution System
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- c) Provide a statement as to whether or not the service provider has prepared, maintained and kept a consolidated set of accounts in respect of the whole of the business of the service provider.

Envestra maintains a consolidated set of accounts for the whole business.

- d) Name the legal entity in which the consolidated set of accounts are reported, maintained or kept for the services provided by each covered pipeline owner or operator?

Envestra Limited

- e) Provide a copy of the most recently lodged annual financial reports with the Australia Securities and Investments Commission or if no such reports exists other similar audited financial reports prepared for or provided to a state or territory department, agency or body under relevant state or territory legislation. These financial reports may be the consolidated set of accounts in respect to the whole of the business of the service provider, and if also separately lodged with the Australian Securities and Investments Commission the most recently lodged annual separate set of accounts in respect of the services provided by the service provider.

The most recently lodged annual financial report is supplied with this report.

#### 2.4 Additional ring fencing requirements or exemptions

- a) Does the service provider have any additional ring fencing requirements?

No.

#### 2.5 Associate contracts

- a) Has the service provider entered into or given effect to any new associate contracts, or varied the terms and conditions of an existing associate contract?

No. (Envestra has no associate contracts).

- b) For each new or varied associate contract, please indicate the date the new or varied associate contract was entered into or given effect?

Not applicable

- c) For each new or varied associate contract, please indicate if the contract or variation was approved by the AER and the date that it was approved?

Not applicable

- d) *If the associate contract was not approved by the AER, please indicate what date the new or varied associate contract was provided to the AER?*

Not applicable

### 3. Other requirements

#### 3.1 Making access arrangement or terms and conditions of access available

- (i.) *Ensuring applicable access arrangement and other specified information is available on website*  
a) *Has the service provider published the approved access arrangement on its website?*

Yes.

- b) *Please provide the website address where this Access Arrangement can be accessed and the date that this access arrangement was provided on the website.*

Website address: <http://www.envestra.com.au/our-business/regulation/access-arrangements/>

Regarding the dates that the respective Access Arrangements were placed on the website, Envestra advises that the respective Access Arrangements have been on the website since they were initially approved many years ago, with versions being updated at each reset/review.

- c) *Has the service provider received any requests from the AER to provide to prospective users generally other information specified as reasonably necessary to determine if access should be sought?*

No.

- d) *Please provide details of when and how this request was met.*

Not applicable

- (ii.) *Publishing approved competitive tender process access arrangement*

- a) *Where there is an approved competitive tender process access arrangement in place for a covered pipeline, has the service provider published the approved access arrangement on its website?*

Not applicable.

- b) *Please provide the website address where this access arrangement can be accessed and the date that this access arrangement was provided on the website.*

Not applicable.

- (iii.) *Publishing terms and conditions of access to light regulation services.*

- a) *Where there is access to light regulation services on a covered pipeline, has the service provider published tariffs and other terms and conditions for these services on its website?*

Not applicable.

- b) *Please provide the website address where this information can be accessed and the date that this information was first made available on the website.*

Not applicable.

- c) *Has the service provider had access negotiations regarding light regulation services? If so, the following will need to be reported, the name of the party requesting the service, the pipeline service requested, and the outcome of the access negotiations.*

Not applicable.

**3.2 Access determinations**

- a) *Has the service provider been party to an access determination?*  
No.
- b) *When did the access determination become operative?*  
Not applicable.
- c) *For what period is the access determination in place?*  
Not applicable.

**3.3 Confidentiality**

- a) *Provide a statement that the confidentiality requirements under rule 137 of the National Gas Rules have or have not been met.*  
Envestra advises that the confidentiality provisions of rule 137 have been complied with.
- b) *Has the service provider established an internal protocol or policy guideline or procedure manual for the handling of confidential information? If so please provide the AER with the relevant policy document.*  
Yes. Envestra has had a Ring Fencing Manual in place since 2002. That document, which is updated as required from time to time, was last updated in July 2013. (A copy is attached with this report).

**3.4 Bundling**

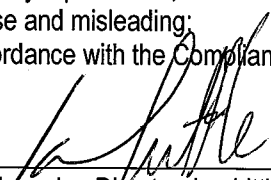
- a) *Has the service provider bundled any of its services when providing access or negotiating access with a prospective user?*  
No.
- b) *If so, provide a description of the bundled services and related conditions of access.*  
Not applicable.

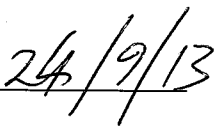
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**Statement of Compliance**

I verify that the information and documentation provided is:

- (a) accurate and can be relied on to provide a true and fair representation of the service provider's operations or ownership of a pipeline that can be relied on by the AER in the performance or exercise of its functions or powers under the National Gas Law or National Gas Rules;
- (b) accurately represented;
- (c) not false and misleading;
- (d) in accordance with the Compliance Order and is complete.

  
Signed by Managing Director, Ian Little

  
Date