

November 2023

Statement of reasons: APA VTS Gas Transmission Annual Tariff Variation

On 25 October 2023, APA Group (APA) applied to the AER for variation of its reference tariffs for the Victorian Transmission System for the period 1 January 2024 to 31 December 2024. Following its initial submission on 19 October 2023, APA made revised submissions on 25 October 2023.

The AER has reviewed APA's application in line with its 2023–27 access arrangement and is satisfied that the tariff variation proposal submitted on 25 October 2023 complies with the principles and formulae set out in sections 4 and D of the access arrangement.

In 2024, all of APA's transmission tariffs will increase by 2.0%. The proposed tariffs will reflect the minimum required for APA to continue to provide a safe and reliable service and to meet regulatory obligations. It takes into account the fact that volume has decreased more than expected at the time of the AER's decision on the 2023–27 access arrangement. The AER finds that the adjustments applied, and the tariffs proposed, are compliant with the mechanisms set in the access arrangement.

Having considered APA's proposal and finding it compliant, the AER approves these tariffs for commencement from 1 January 2024.