

Jemena Gas Networks (NSW) Ltd

Reference Service Proposal for the July 2025 -June 2030 Regulatory Period

Revised 26 October 2023



An appropriate citation for this paper is:

Reference Service Proposal for the July 2025 - June 2030 Regulatory Period

Contact Person

Ana Dijanosic General Manager, Regulation

Jemena Gas Networks (NSW) Ltd

ABN 87 003 004 322 Level 9-15, 99 Walker Street North Sydney NSW 2060

Postal Address

PO Box 1220 North Sydney NSW 2060 Ph: (02) 9867 7000 Fax: (02) 9867 7010

1. Introduction

We are developing the Jemena Gas Networks (NSW) Ltd (JGN) Access Arrangement (AA) for the period July 2025-June 2030 (the next AA period). The first part of this process is to lodge our Reference Service Proposal to the Australian Energy Regulator (AER) twelve months in advance of our AA submission.

This Reference Service Proposal sets out our proposed reference services for transportation and ancillary activities and other non-reference services. Over the next year, we will be engaging with our customers and stakeholders to understand their needs and expectations in terms of the provision of gas pipeline services and ensure our AA meet these needs.

1.1 Regulatory framework

Under rule 47A of the National Gas Rules (**NGR**) we are required to submit our Reference Service Proposal to the AER 12 months prior to the submission of our AA proposal.

Our Reference Service Proposal must list all the pipeline services we can reasonably offer and specify at least one service as a reference service. The regulated tariffs specified in our 2025-30 AA will recover the costs required to provide the reference services, and must be approved by the AER.

In making a decision on our Reference Service Proposal, the AER must consider the reference service factors in rule 47A(15) of the NGR and consider any feedback from users.

Extract of NGR rule 47A

(14) In deciding whether or not a pipeline service should be specified as a reference service, the AER must have

regard to the reference service factors.

(15) The reference service factors are:

(a) actual and forecast demand for the pipeline service and the number of prospective users of the service;

(b) the extent to which the pipeline service is substitutable with another pipeline service to be specified as a reference

service;

(c) the feasibility of allocating costs to the pipeline service;

(d) the usefulness of specifying the pipeline service as a reference service in supporting access negotiations and

dispute resolution for other pipeline services, such that:

(i) reference services serve as a point of reference from which pipeline services that are not reference services can be

assessed by a user or prospective user for the purpose of negotiating access to those other pipeline services;

(ii) a reference tariff serves as a benchmark for the price of pipeline services that are not reference services; and

(iii) reference service terms and conditions serve as a benchmark for the terms and conditions of pipeline services that

are not reference services;

(e) the likely regulatory cost for all parties (including the AER, users, prospective users and the service provider) in

specifying the pipeline service as a reference service.

In considering our proposed reference services, as outlined in Section 4 of this Reference Service Proposal, we have considered the above reference service factors.

1.2 Meeting the requirements of the National Gas Rules

In submitting this Reference Service Proposal, JGN must demonstrate that it meets the requirements in rule 47A(1) of the NGR. The following table indicates the relevant sections to this Reference Service Proposal that meet the requirements of rule 47A(1).

Rule Reference	Rule Requirement	Compliance
R47A (1)(a)	The Reference Service Proposal must identify the JGN pipeline and include reference to a website where a description of the JGN pipeline can be inspected.	Section 1.3 identifies the pipeline and includes a link to Jemena's website which sets our further information about the pipeline.
R47A (1)(b)	The Reference Service Proposal must set out a list of all the pipeline services that JGN can reasonably provide on the pipeline and a description of those services having regard to the characteristics in rule 47A(2).	Section 4 sets out the list of pipeline services that JGN will provide during the 2025- 30 AA period.
R47A (1)(c)	From the list referred to above, the Reference Service Proposal must identify at least one reference service having regard to the <i>reference service factors</i> specified at rule 47A(15), including any supporting information required by the AER.	Section 4 demonstrates that at least one reference service is proposed and that consideration has been given to the reference service factors.
R47A (1)(d)	The Reference Service Proposal must describe any feedback received from pipeline users and end users about which pipeline services should be specified as reference services.	Section 3 sets out our customer and stakeholder engagement program and provides an overview of feedback received.

1.3 Jemena's gas distribution network

We build and maintain the pipes (mostly underground) and other equipment that deliver natural gas safely and reliably. Our network is over 25,000km in length and distributes natural gas to almost 1.5 million residential, business and industrial sites in Sydney, Newcastle, the Central Coast and Wollongong, as well as to customers in more than 20 regional centres, including the Central West, Central Tablelands, South Western, Southern Tablelands, Riverina and Southern Highlands region. Figure 1-1 shows our distribution network areas.

We transport gas through our network on behalf of network users, such as retailers, to customers' premises. We also deliver gas to larger network customers such as self-contracting users and large commercial and industrial customers. JGN also reads and maintains the metering equipment that measure how much gas is being used by each customer. We are part of a broader energy supply chain that spans from gas production to retailing, and on average our charges make up 31% of a typical residential customer's gas bill.

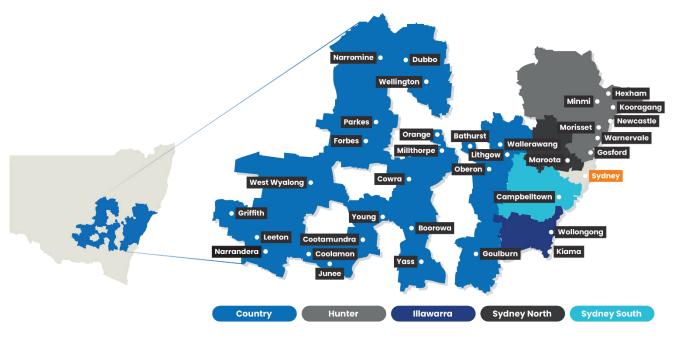


Figure 1-1: JGN's distribution area

Further information on our network can be found at Gas - Jemena.

1.4 Structure of this document

This document outlines:

- JGN's current pipeline services (section 2);
- customer and stakeholder engagement undertaken about our services and the feedback we received to inform this Reference Service Proposal (section 3); and
- the services that we propose will form part of our reference services, the changes to our current services, and the reasons for these changes (section 4).

2. Our current pipeline services

We currently offer the following pipeline services¹ on our network to meet our customers' needs:

- i) Reference Service we provide a single Reference Service, which forms the basis of the prices and terms and conditions set out in our 2020-25 AA and approved by the AER. Revenue from our Reference Service makes up over 99% of JGN's pipeline service revenue.
- ii) Non-Reference Services we currently offer two non-reference services. Namely, an Interconnection Service and a Negotiated Service. These services are less frequently used and are not part of our Reference Service. The costs associated with them are highly variable and dependent on a customer's specific needs. The revenue we earn from these pipeline services make up less than 1% of JGN's pipeline revenue. The terms and conditions (including price) for these services reflect the cost of providing the relevant service and are negotiated with customers, rather than being approved by the AER.

Our current services, as set out in section 2 of our AA for the 2020-25 period, are described in Table 2-1.

Service	Description	
Reference Service	The Reference Service is a service for:	
	 the transportation of Gas by the Service Provider through the Network to an eligible Delivery Point for use and consumption within the premises served by that Delivery Point; 	
	 meter reading and associated data activities, and the provision and maintenance of a standard metering installation at the Delivery Point as appropriate for the required capacity and meter reading frequency; and 	
	iii) ancillary activities as set out in the Reference Tariff Schedule as may be requested by a User.	
	Our ancillary activities ² are:	
	1. Hourly charge – non-standard User initiated requests and queries	
	2. Disconnection – Volume Customer Delivery Points ³	
	3. Reconnection – Volume Customer Delivery Points	
	4. Disconnection & reconnection – Demand Customer Delivery Points	
	5. Abolishment	
	6. Special meter reads	
	7. Expedited reconnection	
Non Reference	An Interconnection Service is a service provided by the Service Provider to establish:	
Interconnection Service	(a) a Delivery Point to enable delivery of Gas from the Network into a Downstream Network; or	
	(b) a Receipt Point to enable delivery of Gas into the Network from an Upstream Facility,	
	on the terms and conditions agreed to by the Service Provider and Prospective User including those, to the extent applicable, contained in the Operational Schedule.	

Table 2-1: Our current services for the 2020-25 AA period

¹ JGN, Access Arrangement : <u>JGN's NSW gas distribution networks. 1 July 2020 – 30 June 2025</u>, section 2

² JGN, Access Arrangement : <u>JGN's NSW gas distribution networks. 1 July 2020 – 30 June 2025</u>, schedule 2, section 4.

³ During the period 1 July 2020 to 30 June 2021, this service included reconnection. From 1 July 2021, the disconnection and reconnection service was split into two separate services.

Service	Description
Non Reference Negotiated Service	Where a Prospective User has specific needs which differ from those which would be satisfied by the Reference Service or the Interconnection Service, the Prospective User may seek to negotiate different terms and conditions as a Negotiated Service and enter into a Service Agreement with the Service Provider.

3. Customer and stakeholder engagement

In developing our Reference Service Proposal we have undertaken an engagement program with retailers, selfcontracting users and large customers to focus on the services we offer. This is the first stage of our customer engagement program, as shown in Figure 3–1 below, that will inform our decision making for our 2025-30 AA Proposal.

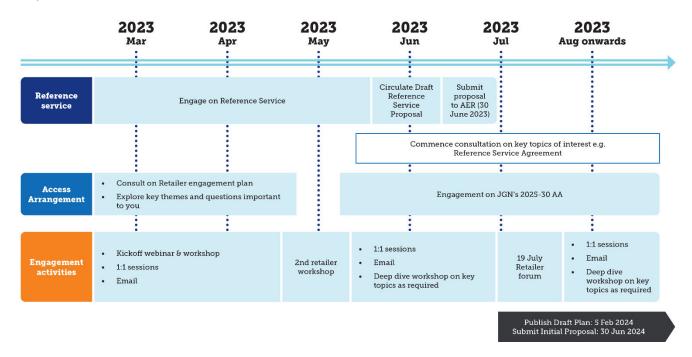


Figure 3–1: Retailer engagement timeline

During this first stage of the engagement process, we have sought to understand whether the proposed reference services are appropriate to meet customer needs and whether customers require additional services. The customer and stakeholder engagement comprised of three stages:

- 1. An initial information gathering exercise conducted in October 2022, where we circulated a questionnaire to all self-contracting users, some large customers and retailers asking whether our current services are likely to meet their future needs and what their preferences were for consulting on our draft Reference Service Proposal.
- 2. Consultation on the draft Reference Service Proposal, where we consulted with retailers, self-contracting users and some large customers over February to April 2023.
- The publication of a consultation draft Reference Service Proposal seeking customer and stakeholder feedback during May 2023 to ensure our proposed reference services will meet their future needs prior to submitting this Reference Service Proposal to the AER.

These stages are discussed below.

3.1 Initial information gathering

We sent out a questionnaire to 12 retailers, 35 self-contracting users and some large customers in October 2022 asking them whether our current Reference Service is likely to meet their future business needs and their preferences on how we consult with them in developing our Reference Service Proposal.

Five or 42% of the retailers, and 13 or 37% of the self-contracting users and some large customers, contacted by us responded that:

- With the exception of one retailer, all participants indicated that our current reference services are likely to
 meet their future business needs. One retailer requested that a service level agreement (SLA) with specified
 timeframes for all gas service orders be incorporated into the Reference Service Proposal. The merits of an
 SLA will be considered as part of our review of the Reference Services Agreement and the broader AA
 proposal rather than the Reference Service Proposal.
- Self-contracting users and some large customers stated they preferred workshops, closely followed by email
 as their preferred method of engagement on the Reference Service Proposal, whereas retailers prefer emails
 and workshops, followed by one on one sessions.
- One retailer said that our questionnaire did not provide enough information on what our services were. This
 Reference Service Proposal sets out the reference services and non-reference services that we provide,
 together with our proposed changes.

3.2 Consultation with retailers, self-contracting users and some large customers on the draft Reference Service Proposal

Following the initial information gathering phase we ran a second round of engagement that provided an overview of the process to review and update JGN's Reference Service for the 2025-30 AA period, and sought feedback from retailers, self-contracting users, and some large customers.

The engagement timeline was broken into several sections – delving deeper each time. First, we hosted an online workshop to engage on the context and background to the Reference Service Proposal and AA and to understand the views of retailers. Secondly, we facilitated deep dives and one on one meetings, which was followed by a second online workshop in April 2023 to report back on the development of the Reference Service Proposal.

The first online retailer session was held on Wednesday 1 March 2023 with 29 retailer representatives, 12 Jemena presenters and observers, and two AER observers. In this session, we asked retailers about the principles of engagement, provided the context and background including some detail about what the Reference Service Proposal is, and our early thinking on it. We also ran a question and answer segment where we posed questions to the retailers in this session, hearing early feedback from the retailers. We also provided them the opportunity for feedback and reflection on the session, to improve our engagement for next time.

We then ran an online session on Thursday 30 March 2023 with 11 self-contracting users and large customer representatives attending, with seven Jemena presenters and observers, noting that the two AER observers were an apology to this session. This session mirrored the retailer session in terms of program, information presented and engagement activities for consistency.

Following the initial sessions, all retailers, self-contracting users and large customers were invited to one on one opt in meetings to take a closer look at opportunities and concerns of retailers and provide a deeper insight into the proposed Reference Service Proposal. Four retailers and one self-contracting user took us up on this offer. These meetings were held online between 24 March 20023 and 20 April 2023 with retailers AGL, Origin Energy, Red Energy / Lumo, Energy Australia, and with one self-contracting user.

These one on one meetings were followed with a second online session for all retailer representatives on 28 April 2023. The purpose of this online session was to provide an update on our progress on the Reference Service Proposal, play back what we heard from these engagements, and to share our preliminary thinking in terms of the proposed reference services for the 2025-30 AA period.

3.3 Publication of the draft Reference Service Proposal

The outcomes form the second round of engagement helped inform our development of the draft Reference Service Proposal that we published in May 2023 seeking further feedback from retailers and large customers as to whether:

- Our proposed reference services and non-reference service will meet their likely business needs; and
- If not, what changes would they suggest and why.

We received two responses from retailers and one from a large customer.

3.4 How customer feedback has informed our Reference Service Proposal

Table 3–1: How we are responding to the customer and stakeholder feedback

Your feedback	We heard	How we are responding
Reference Service feedback		
With the exception of one retailer, all retailers and a majority of large customers indicated that our current reference service is likely to meet their future business needs. The other retailer felt the need for more information before making a decision, and also the future of the energy system needs to be considered.	The services we currently provide are fit for purpose, and don't require significant modification.	We are not proposing to change the type of pipeline service we currently provide as a reference service. The main change is to expand the scope of users who receive this service so that there is no distinction between users who receive the same service but for different purposes. We are also aligning the components of our reference service with other gas distribution businesses.
One retailer stated that they want Service Level Agreement (SLA) timeframes for all gas service orders built into the Reference Service Proposal.	Retailers want SLAs timeframes for all gas service orders built into the Reference Service Proposal.	SLAs fall under the scope of the Reference Service Agreement, which we will consider as part of the 2025-30 AA.
One retailer suggested that we reduce the appointment window for special meter reads from the existing "AM" or "PM" time slot offerings to 2 hour appointment windows.	Retailers want the appointment scheduling for special meter reads reduced to 2 hour time slots.	Due to the timing of when this feedback was received we will consider this as part of the 2025-30 AA.
A minority of large customers indicated they were unsure or neutral as to whether the Reference Service met their needs – when asked they felt the need for more information.	Some large customers want more detail on the Reference Service.	We have included in our engagement sessions and in this document simple and clear information on our Reference Service.
One retailer stated that it was unclear where the meter provision and meter reading services now sit.	One retailer wants confirmation that the provision of meter services forms part of the reference services.	We have updated this Reference Service Proposal to make it clear that meter provision and meter reading services forms part of the Transportation Reference Service.
Engagement approach feedback		
Retailers value positive and open communication, clarity, transparency and timely information sharing. They also favour online tools to provide feedback in-session, like Menti. Large customers want the detail of topics through session summaries before the engagement sessions.	Retailers value openness and clear communication and documentation in advance, and want this to continue throughout the 2025-30 AA engagement program.	We are proposing to continue our engagement sessions and other touchpoints with retailers and large customers and will continue to adhere to our engagement values, providing opportunities to input as part of our engagement on the 2025-30 AA. We will also provide summary information in advance of the topics to be discussed at engagement sessions.

Your feedback	We heard	How we are responding
On considering our draft engagement program for the 2025-30 AA, retailers want a variety of touchpoints. Retailers had some suggestions on other customer groups to engage with, and topics that included looking at affordability amongst vulnerable customers. Others felt that frequency of engagement, in addition to efficiency, matters too. Some felt that managing a diverse range of opinions would be difficult to do but was important.	Retailers want the draft engagement program to consider a broad range of customers including vulnerable customers.	We're looking at the overall engagement program and will take on this feedback in considering engagement with different groups. We've also considered the design of the engagement program, using deliberative customer forums to ensure all voices are heard. Within our customer forums, affordability is emerging as a major theme for household customers, and we're giving consideration to how JGN responds to affordability in the 2025- 30 AA period.
Access arrangement feedback		
Some large customers felt the future of the energy system needs to be considered within the Reference Service. Large customers expect JGN to be continually evolving the Reference Service and engaging in an ongoing way.	Some large customers want us to consider the future of the energy system within the Reference Service, and evolve the service in an ongoing way.	We are proposing to slightly expand the scope of the Reference Service to ensure that the service captures all users irrespective of whether the user requires the service for consumption or another purpose such as blending renewable gases or for transportation to a downstream network. In particular, the expanded scope will ensure we are able to accommodate renewable gases within our network, in line with the review into extending the regulatory framework to hydrogen and renewable gases ⁴ . We will continue to review and refine our services to ensure that they continue to meet the needs of our customers.
Renewable gas		
Retailers are interested in how hydrogen blending, biomethane and distribution facilities for renewable gas will impact the future of the network and potentially impact the Reference Service and they would like more information on this as it becomes available.	Retailers are interested in the transport and use of renewable gas and how it will impact our services.	We don't see the nature of our services needing to change in the short term but acknowledge this is an emerging issue that requires further consideration. We'll be consulting on this topic with customers and stakeholders as we progress the 2025-30 AA engagement program.

⁴ AEMC, Final Rules Report: Review into extending the regulatory frameworks to hydrogen and renewable gases, 24 November 2022.

Your feedback	We heard	How we are responding
Digital gas meters		
Retailer feedback on digital meters varied across a broad spectrum of opinion. One attendee asked whether it was wise for JGN to explore digital meters for gas in the current environment of uncertainty and potential decline in gas usage. Others felt it would keep field officers safe, overcome meter reading constraints associated with no access and hot water only sites, and an offering of remote disconnection and reconnection would be beneficial.	Retailers shared a broad range of views on digital gas meters.	We will consult further with retailers and customers on digital metering ⁵ as part of our 2025-30 AA engagement program.
Vulnerable customer initiatives		
One retailer noted that assistance provided by retailers and social welfare ensures vulnerable customers are well supported and that JGN should focus on delivering gas network services at an efficient price.	One retailer want's JGN to support vulnerable customers by delivering network services at an efficient price.	We will consult further with retailers and customers on what should be JGN's role in terms of supporting vulnerable customers as part of our 2025-30 AA engagement program. We will also consider any changes arising from the AER's gamechanger review.

⁵ Digital metering technology would be for the provision of gas services, not for addressing hot water matters.

4. **Proposed pipeline services for the 2025-30 AA period**

This sections sets out our proposed changes to our pipeline services and the rationale for these changes.

4.1 Reference Services

For the 2025-30 AA, we are proposing to split the current single Reference Service into two separate reference services, namely a:

- Transportation Reference Service⁶ which is high in demand, is not substitutable and the costs are predictable and can be reasonably allocated across users, and
- Ancillary Reference Service. Appendix A provides a schedule of the Ancillary Reference Service which
 includes the actual and likely demand for the service. JGN has historically estimated the costs by applying a
 unit rate which is based on an estimate of the time taken to perform each activity, then applied to an hourly
 labour rate. An overhead rate is also applied to recover the corporate costs which are required to support the
 provision of these activities. JGN is preparing actual costs at the aggregate level which will determine the
 prices for each sub Ancillary Reference activity.

Figure 4–1 depicts JGN's existing reference and non-reference services, and Figure 4–2 depicts the proposed reference and non-reference services for the 2025-30 AA period.

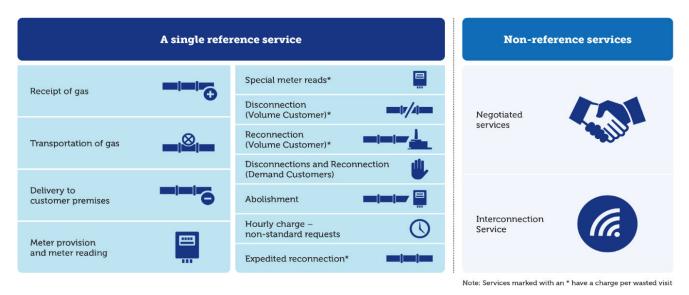


Figure 4-1: JGN's existing reference and non-reference services

⁶ Costs allocated to the transportation reference service could include small customer abolishment costs with a connection capacity of less than or equal to 25m3 / hr.

Reference	e services	Non-reference services
Transportation Reference Service	Ancillary Reference Service	
Standard meter installation	Special meter reads*	Negotiated
Receipt of gas	Disconnection (Volume Customer)*	
Transportation of gas	Reconnection (Volume Customer)*	
Delivery to	Disconnections and Reconnection (Demand Customers)	
customer premises	Abolishment	Interconnection Service
Eligible delivery point definition updated to agree non standard pressure and remove	Hourly charge – Non-standard requests	
requirement to consume gas at the delivery point	Expedited reconnection*	Linking to Part 6 NGR

Figure 4–2: Proposed pipeline services for the 2025-30 AA period

Note: Services marked with an * have a charge per wasted visit

We consider that splitting the current single Reference Service into two separate reference services demonstrates consistency with the reference service factors set out in rule 47A(15) which are outlined in Section 1.1. Demand and expenditure information associated with the reference services shown in Figure 4-2 are also provided in JGN's annual Regulatory Information Notice submissions which further supports consistency with the reference service factors.

The rationale for the proposed changes to the current single Reference Service are explained as follows:

- Splitting out ancillary activities into a separate Ancillary Reference Service from the Transportation Reference Service promotes alignment with other gas distribution businesses and will provide a more accurate, transparent description for each activity. Apart from splitting out ancillary activities into a separate reference service, we are not proposing any other changes to the ancillary services we currently provide.
- Expanding the Transportation Reference Service to include delivery of gas into a downstream facility will ensure that the transportation of gas to all delivery points will be treated as a reference service regardless of the use of the gas at the delivery point. Currently, transportation services to interconnection facilities are negotiated as a separate agreement.
- We consider there will be little to no impact to customers of our proposed changes as our service of receiving, transporting and delivering gas and associated activities will largely remain unchanged. Additionally, expanding the Transportation Reference Service allows us to better respond to the evolving energy market by facilitating connections that include the supply to an embedded network which is a very large gas installation where we deliver to a sub-network, or a downstream renewable gas facility or offtake point. In particular, this will enable JGN to offer the Reference Services to future third party blending facilities which will blend natural gas with renewable gas for injection back into JGN's network.
- Revising the definition of an eligible Delivery Point to allow the user or prospective user and JGN to agree to the connection of a new delivery point where the maximum allowable operating pressure of the network is greater than that indicated for the size of the customers connection specifications. This change provides greater flexibility to the user or prospective user. The limitation was a historical carryover and is no longer required as assessment of the connection is subject to the requirements of the NGL.

At the time of submitting this Reference Service Proposal we note that additional refinements may be required to accommodate expected changes to the regulatory framework arising from the *Review into extending the*

*regulatory frameworks to hydrogen and renewable gases*⁷—including changes to the definition of *natural gas* to *covered gases*. This change may entail changing the term 'Gas' to 'Covered Gas'.

At present, the National Gas Law (**NGL**) and the National Energy Retail Law (**NERL**) refer to 'natural gas'. With projects underway to introduce hydrogen and properly recognise biomethane in gas networks, this terminology will be updated to provide regulatory certainty to the emerging industry.

The NGL is expected to refer to 'covered gases'. Once the reforms are finalised, it is expected that the list of covered gases will include:

- natural gas
- hydrogen
- biomethane
- synthetic methane
- blends of these gases.

We consider that the proposed changes are consistent with the reference service factors set out in rule 47A(15) which are outlined in Section 1.1.

4.2 Non-reference services

We currently have two non-reference services:

- 1. Interconnection Service
- 2. Negotiated Service.

Interconnection Service

Our current Interconnection Service under the 2020-25 AA covers the establishment of a new receipt point, or a new delivery point for a downstream network (i.e. where gas is not consumed at the delivery point). This is a non-reference service and we negotiate a separate agreement with the connecting party which addresses the:

- · terms and conditions for establishing the delivery / receipt point
- · cost of establishing the delivery / receipt point.

This non-reference service was included in our 2020-25 AA to enable third parties to negotiate for the establishment of an interconnection service and to establish key principles for such negotiations.

As part of recent changes to the NGR to give effect to Energy Minsters' reforms on *Improving gas pipeline regulation*⁸, we must now publish an Interconnection Policy which will include the parameters for establishing new interconnection facilities (such as receipt points and downstream connection assets). This includes setting out information about how interconnection fees will be calculated and recovered (taking into account the requirements under rule 38(3))⁹.

For our 2025-30 AA, we are proposing minor changes to the Interconnection Service to ensure consistency with these new requirements and to make it clearer in terms of when the Interconnection Service applies, as shown in section 4.3.

⁷ AEMC, Final Rules Report: Review into extending the regulatory frameworks to hydrogen and renewable gases, 24 November 2022.

 ⁸ These rules were enacted on 16 March 23. See Energy Ministers, <u>Information Paper: Improving gas pipeline regulation</u>, for more detail
 ⁹ NGR rule 39(2)(f).

Negotiated Service

We propose to leave our Negotiated Service as is to ensure that we have the ability to provide our customers with an alternative service to our reference services should they require it.

4.3 Proposed reference services and non-reference services

Our proposed changes to the existing reference and non-reference service as currently specified in the Access Arrangement for JGN's NSW gas distributions networks 1 July 2020 – 30 June 2025, are outlined below.

The reference to 'Gas' is the current reference in the AA and refers to natural gas. Consistent with changes expected to be made to both the NGL and NGR as part of the renewable gas reforms, this reference to 'Gas' will capture the 'Covered Gas'. The NGL and NGR will be amended to substitute 'natural gas' for 'Covered Gas' which will capture biomethane, natural gas, synthetic methane and hydrogen as well as blends of those gases.

2.2 Reference Services

- (a) The Service Provider will make the Transportation Reference Service and the Ancillary Reference Services available to Users and Prospective Users in accordance with this Access Arrangement.
- (b) The Transportation Reference Service is a service for:

(i) the transportation and delivery of Gas by the Service Provider through the Network to an eligible Delivery Point and

- (ii) meter related services including:
 - (A) the provision, installation and maintenance of a standard metering installation; and

(B) meter reading and associated data activities as appropriate for the required capacity and meter reading frequency, but does not include Ancillary Reference Services.

- (c) The Ancillary Reference Services¹⁰ are those services set out in the Ancillary Reference Service Schedule as requested by a User for an eligible Delivery Point.
- (d) For the purposes of paragraphs (b) and (c), an eligible Delivery Point is:
 - Delivery Point existing on the Network to which the Service Provider provided a reference service under the 2020-25 Access Arrangement immediately before the Effective Date; or
 - (ii) a new Delivery Point, established on or after the Effective Date, that is directly supplied from the Network, where:
 - the maximum allowable operating pressure is less than or equal to 500 kPa and the Service Provider reasonably expects that the Delivery Point will consume less than 10 TJ per annum;
 - (B) the maximum allowable operating pressure is less than or equal to 1,050 kPa and the Service Provider reasonably expects that the Delivery Point will consume 10 TJ per annum or greater; or
 - (C) as otherwise agreed between the Service Provider and the User or Prospective User (as the case may be).

2.3 Terms and conditions of Reference Service

The terms and conditions upon which the Service Provider will provide the Transportation Reference Service and the Ancillary Reference Services are set out in the Reference Service Agreement.

¹⁰ Refer to Appendix A for the Ancillary Reference Service Schedule.

2.4 Non-Reference Services

The Service Provider may provide the following Non-Reference Services:

- (a) an Interconnection Service, which is described in clause 2.5; and
- (b) a Negotiated Service, which is described in clause 2.6.

2.5 Interconnection Service

- (a) An Interconnection Service is a service provided by the Service Provider to connect a Pipeline or facility to the Network and:
 - (i) to establish a Delivery Point to enable the delivery of Gas from the Network; or
 - (ii)) to establish a Receipt Point to enable the receipt of Gas into the Network,

in accordance with Part 6 of the National Gas Rules including the Service Provider's Interconnection Policy.

- (b) For the purpose of paragraph (a):
 - (i) **pipeline** has the meaning given to that term in the National Gas Law;
 - (ii) **Interconnection Policy** means the Service Provider's interconnection policy developed and maintained in accordance with the National Gas Rules.

2.6 Negotiated Service

Where a Prospective User has specific needs which differ from those which would be satisfied by the Reference Service or the Interconnection Service, the Prospective User may seek to negotiate different terms and conditions as a Negotiated Service and enter into a Service Agreement with the Service Provider.

Appendix A Ancillary Reference Service Schedule



A1. Ancillary Reference Service

Ancillary Reference Service Schedule

Hourly charge –	The assessment of a User's or Prospective User's requirements,	
non-standard User nitiated requests and queries	collation of information and provision of a response to a User or Prospective User in relation to non-standard requests and queries. Examples include, but are not limited to:	Demand:
	 customer connection or upgrade inquiries requiring additional investigation by the Service Provider due to the 	2021-22 Actual: 83
	nature of the request; and	Forecast average ¹ : 81
	 requests for measurement data additional to data provided in standard reports. 	
	Not applicable to the processing of connections and alterations which fall under Part 12A of the National Gas Rules	
Disconnection – Volume Customer Delivery Points	Disconnection of supply to a Delivery Point (by wadding or locking the meter) and where the User also requests that the meter is not to be moved or removed.	Demand:
	noved of removed.	2021-22 Actual: 16,873
	A request for disconnection is also a request to remove the Delivery Point from the Volume Customer List under the User's Service Agreement.	Forecast average ¹ : 15,848
	The specific method of disconnection will be at the discretion of the Service Provider to ensure the site is able to be left in a safe state.	
Reconnection ² – Volume Customer Delivery Points	Reconnection of a disconnected Delivery Point made in accordance with National Energy Retail Law or National Gas Rules, the Reference Service Agreement, or in other circumstances (at the	Demand:
	Service Provider's discretion, acting reasonably) where Delivery Station components and pipework are still installed at the Delivery	2021-22 Actual: 7,055
	Point and can be re-energised without alteration or replacement.	Forecast average ² : 7,055
	Reconnection in circumstances other than those described above requires a new connection and a new Request to be made.	
Disconnection & Reconnection – Demand customer	Disconnection for a Demand Customer Delivery Point where the User also requests that the meter is not to be moved or removed.	
Delivery Points	If requested by the User, the charge for disconnection will also include the subsequent costs of reconnection where the Delivery Station components and pipework are still installed at the Delivery Point and can be re-energised without alteration or replacement.	Low demand
	Reconnection in circumstances other than those described above requires a new connection and a new Request to be made.	

Abolishment ²	Permanent decommissioning of a Delivery Point, typically including the removal of the meter. A request for abolishment is also a	Demand:
	request to remove the Delivery Point from the Customer List under the User's Service Agreement.	2021-22 Actual: 3,170
	The specific method of abolishment will be at the discretion of the Service Provider to ensure the site is able to be left in a safe state.	Forecast average ¹ : 2,951
	Subsequent reconnection of the Delivery Point requires a new connection and a new Request to be made.	
Special meter reads ²	For meter reading for a Delivery Point in addition to the routine meter reading comprised in the Reference Service (for instance, when the meter reader makes a special visit to read a particular	Demand:
	meter out of the usual meter reading route or schedule). This service must be scheduled by the User with the Service Provider in	2021-22 Actual: 480,867
	accordance with the applicable market procedures.	Forecast average1: 491,200
	Note: A wasted visit charge will apply. ¹	
Expedited reconnection	Reconnection of a Volume Customer Delivery Point in a shorter time- frame than required under the Applicable Law (typically on the day of the request for reconnection or as otherwise agreed between the	Demand:
	User and the Service Provider). The reconnection is performed	2021-22 Actual: 3,951
	between 4.00 PM and 7.00 PM on a Business Day. The Service Provider's ability to perform the reconnection on the requested day will depend upon, among other factors, the extent of notice provided by the User (at a minimum, the request must be received prior to 2.00 PM).	Forecast average ¹ : 3,878

¹Average based on 2020-21 and 2021-22 actuals.

²Forecast based on 2021-22 actual as the service was rebased and applied from July 2021.

Notes to table:

- Wasted visit occurs where the Service Provider attends a Delivery Point in response to a User request for a disconnection or reconnection, expedited reconnection or special meter read and where the Service Provider is unable to gain safe or unhindered access to complete the requested activity. A wasted visit charge will be applied in circumstances such as:
 - restricted physical access e.g. a locked gate, key required, locked and no answer, security building, obstructed meter, shop closed; or
 - unsafe site e.g. presence of a savage dog, site is under construction, or customer refusal to perform the work.

A wasted visit charge will not be applied where:

- · the Service Provider is unable to locate the Delivery Point or meter;
- in the case of attendance at the site to perform a disconnection, the meter has already been disconnected or removed by the Service Provider; or
- the Service Provider attends outside of a scheduled appointment time, and as a result is unable to complete the requested activity.

2) For the reconnection, abolishment and special meter read activities, the User may request that the Service Provider provide an "AM" or "PM" appointment to undertake the activity. There is no additional cost for this request. An "AM" appointment is at any time between 7.00 AM and 11.59 AM and a "PM" appointment is at any time between 12.00 midday and 4.00 PM on a Business Day. Note: Appointments are not available for special meter reads for meters equipped with meter data loggers or radio frequency communications.

The Service Provider's ability to offer an appointment during the requested timeframe will depend upon, amongst other factors, the extent of notice provided by the User. For a reconnection or special meter read, the User must provide a minimum of 2 business days' notice (for example, notice must be given by close of business Monday for the activity to be performed on Thursday). For an abolishment, longer notice periods are required due to the nature of the work to be undertaken by the Service Provider. For all activities, the User's request must include customer name and telephone contact details.

A User may cancel a scheduled appointment by providing at least, one business day's prior notice to the Service Provider. If less notice is provided by the User, the Service Provider may apply the applicable wasted visit charge if the Service Provider attended the Delivery Point to perform the activity.

- 3) The charges above are providing the services in accordance with the relevant Applicable Law in force at the Effective Date.
- 4) Volume Customer Delivery Point and Demand Customer Delivery Point means a Delivery Point which has been assigned to the Volume Tariff and Demand Tariff customer groups respectively.