

November 2021

## Statement of reasons: APA VTS Gas Transmission Annual Tariff Variation

On 22 October 2021, APA Group (APA) applied to the AER for variation of its reference tariffs for the Victorian Transmission System for the period 1 January 2022 to 31 December 2022. Following its initial submission on 22 Oct, APA made revised submissions on 26 October, 10 November, and 16 November 2021.

The AER has reviewed APA's application in line with its 2018–22 access arrangement and is satisfied that the tariff variation proposal submitted on 16 November 2021 complies with the principles and formulae set out in sections 4 and D of the access arrangement.

In 2022, most of APA's transmission tariffs will decrease by at least 0.6%. 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 departed from the decreases expected at the time of the AER's decision on the 2018–22 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 2022.