

Our Ref: AER200813
Contact Officer: Daniel Dale
Contact Phone: 07 3835 4629

27/05/2020

Peter Bucki
Head of Regulation
Australian Gas Networks

Dear Mr Bucki

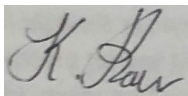
**Australian Gas Networks (SA) 2020–21 Gas Distribution Network Tariff
Variation Proposal**

The AER has considered this matter and decided, in accordance with the provision of the Australian Gas Networks (SA) 2016–21 access arrangement, to approve AGN's proposed tariffs for the period 1 July 2020 to 30 June 2021. The initial proposed tariffs were submitted to the AER on 21 April 2020.

The proposed tariffs are compliant with the Australian Gas Networks (SA) gas access arrangement 2016–21.

A Statement of Reasons is attached. Should you have any queries, please contact Daniel Dale on 07 3835 4629.

Yours sincerely



Kami Kaur
Acting General Manager
Distribution

STATEMENT OF REASONS

Australian Gas Networks (SA) gas distribution tariff variation for 2020–21

On 21 April 2020, AGN applied to the AER for variation of its distribution tariffs for the period 1 July 2020 to 30 June 2021. The application is based on the 2016–21 access arrangement approved by the AER on 26 May 2016.

The AER has considered AGN's application for the variation of distribution tariffs for the period 1 July 2020 to 30 June 2021 submitted on 21 April 2020 in accordance with sections 4.3, 4.4, 4.6 and Annexure E of the Australian Gas Networks (SA) 2016–21 access arrangement.

The AER is satisfied that AGN's revised application complies with the relevant principles and formulae set out in the Australian Gas Networks (SA) access arrangement.

Having considered AGN's proposal of 21 April 2020 stating the nature of the proposed 2020–21 tariffs, the AER approves these tariffs for commencement on 1 July 2020.

The approved 2020–21 distribution tariffs are set out in the section below.

South Australia – from 1 July 2020

Tariff R excl. Tanunda (Domestic Haulage Service – Charges per Network Day excl. GST)

Base Charge (\$/day)	\$0.3191
Charge for the first 0.0274 GJ of gas delivered (\$/GJ)	\$32.6759
Charge for the next 0.0219 GJ of gas delivered (\$/GJ)	\$11.6083
Charge for additional gas delivered (\$/GJ)	\$3.9298

Notes

1. *The total daily Charge will comprise the Base Charge plus a Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Domestic Delivery Point.*
2. *The Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Domestic Delivery Point will be calculated at the rates shown in the table.*
3. *A reference in the table to the Gas delivered through the Domestic Delivery Point is a reference to Gas delivered through the Domestic Delivery Point whether for the account of the Network User or for the account of any other person or persons.*
4. *Charges will be calculated to four decimal places.*

Tariff C excl. Tanunda (Commercial Haulage Service – Charges per Network Day excl. GST)

Base Charge (\$/day)	\$0.6724
Charge for the first 0.9863 GJ of gas delivered (\$/GJ)	\$16.1157
Charge for the next 4.2740 GJ of gas delivered (\$/GJ)	\$6.4238
Charge for the next 11.1780 GJ of gas delivered (\$/GJ)	\$2.7750
Charge for additional gas delivered (\$/GJ)	\$2.1477

Notes

1. *The total daily Charge will comprise the Base Charge plus a Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Commercial Delivery Point.*
2. *The Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Commercial Delivery Point will be calculated at the rates shown in the table.*
3. *A reference to the Gas delivered through the Commercial Delivery Point is a reference to Gas delivered through the Commercial Delivery Point whether for the account of the Network User or for the account of any other person or persons.*
4. *Charges will be calculated to four decimal places.*

South Australia – from 1 July 2020

Tariff R Tanunda (Domestic Haulage Service – Charges per Network Day excl. GST)

Base Charge (\$/day)	\$0.3191
Charge for the first 0.0274 GJ of gas delivered (\$/GJ)	\$42.4786
Charge for the next 0.0219 GJ of gas delivered (\$/GJ)	\$15.0907
Charge for additional gas delivered (\$/GJ)	\$5.1087

Notes

1. *The total daily Charge will comprise the Base Charge plus a Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Domestic Delivery Point.*
2. *The Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Domestic Delivery Point will be calculated at the rates shown in the table.*
3. *A reference in the table to the Gas delivered through the Domestic Delivery Point is a reference to Gas delivered through the Domestic Delivery Point whether for the account of the Network User or for the account of any other person or persons.*
4. *Charges will be calculated to four decimal places.*

Tariff C Tanunda (Commercial Haulage Service – Charges per Network Day excl. GST)

Base Charge (\$/day)	\$0.6724
Charge for the first 0.9863 GJ of gas delivered (\$/GJ)	\$20.9504
Charge for the next 4.2740 GJ of gas delivered (\$/GJ)	\$8.3509
Charge for the next 11.1780 GJ of gas delivered (\$/GJ)	\$3.6075
Charge for additional gas delivered (\$/GJ)	\$2.7920

Notes

1. *The total daily Charge will comprise the Base Charge plus a Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Commercial Delivery Point.*
2. *The Charge for the Quantity of Gas delivered (or estimated to have been delivered) through the Commercial Delivery Point will be calculated at the rates shown in the table.*
3. *A reference to the Gas delivered through the Commercial Delivery Point is a reference to Gas delivered through the Commercial Delivery Point whether for the account of the Network User or for the account of any other person or persons.*
4. *Charges will be calculated to four decimal places.*

South Australia – from 1 July 2020

Tariff D (Demand Haulage Service – Monthly Charges GJ MDQ excl. GST)

Adelaide Region	Northern Zone	Central Zone	Southern Zone
50 GJ or less	\$2,787.0723	\$2,787.0723	\$2,787.0723
Next 50GJ (\$/GJ MDQ)	\$54.1928	\$64.3578	\$75.8974
Next 900GJ (\$/GJ MDQ)	\$33.8324	\$40.9286	\$47.5321
Additional GJ (\$/GJ MDQ)	\$10.2510	\$11.7291	\$14.3344

Other Regions	Port Pirie	Riverland	South East	Peterborough	Whyalla
50 GJ or less	\$2,787.0723	\$3,934.0190	\$2,787.0723	\$3,934.0190	\$2,787.0723
Next 50GJ (\$/GJ MDQ)	\$54.1920	\$79.1281	\$54.1920	\$79.1281	\$54.1920
Next 900GJ (\$/GJ MDQ)	\$18.7811	\$49.3071	\$27.9710	\$49.3071	\$27.9710
Additional GJ (\$/GJ MDQ)	\$9.4368	\$10.2510	\$10.2510	\$10.2510	\$10.2510

Notes

1. The Demand Haulage Charges shown above are charges for a complete calendar month.
2. The Charge for a calendar month will accrue from day to day in equal portions.
3. Charges will be calculated to four decimal places.
4. For the purpose of calculating daily overrun charges pursuant to clause 5 of the General Terms and Conditions, the overrun rate is \$15 per GJ (excl. GST).

Ancillary Reference Services

Excl. GST

Special Meter Read	\$11.00
Disconnection Service	\$75.00
Reconnection Service	\$75.00
Meter Removal	\$75.00
Meter Reinstallation	\$81.00
Meter Gas and Installation Test	\$225.00

Notes

1. Where the Reference Tariff for an Ancillary Reference Service (as varied) is less than \$20, the Reference Tariff (as varied) will be rounded to the nearest 10 cents (with five cents rounded upwards). Where the Reference Tariff for an Ancillary Reference Service (as varied) is \$20 or more, the Reference Tariff (as varied) will be rounded to the nearest dollar (with 50 cents rounded upwards).