

Appendix 13.01

Table of Amendments

Revised Access Arrangement

Revised 2016-21 access arrangement proposal

Response to the AER's draft decision

January 2016

PUBLIC

ActewAGL Distribution - Outline of amendments to revised proposed Access Arrangement dated 6 January 2015 arising from AER Draft Decision*

*In addition to the amendments to the revised proposed Access Arrangement outlined in the table below, ActewAGL Distribution (AAD) has also made various minor amendments to address typographical issues and/or consequent upon the amendments outlined in the table (including for example the removal of redundant defined terms).

**References to clauses of the Access Arrangement are to clauses in the revised proposed Access Arrangement (incorporating revisions that address matters raised in the AER's Draft Decision), except where the reference is stated to be to 'old clause x', in which case the reference is to the specified clause of the original Access Arrangement proposed in June 2015.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
3	9.14	Remove clause 5.1(a).	Not to approve a fixed principle that fixes the application of an opex efficiency carryover mechanism (ECM) for the purposes of the 2021-26 regulatory period.	Agree, but implemented by alternative means	AAD agrees with the AER's position that the application of the opex incentive mechanism should not be fixed for the period expected to commence in 2021. However, to clarify, AAD considers that the carry forward of incremental opex efficiency gains (losses) arising during the 2016/17 - 2020/21 period into the 2021/22 - 2025/26 period total revenue via the revenue increment (decrement) building block should be a fixed principle. As such, to clarify, AAD has altered clause 3 to expressly state that the formulae apply to the calculation of incremental efficiency gains (losses) arising in the 2016/17 - 2020/21 period (and, thus, not in the 2021/22 - 2025/26 period). AAD has therefore also retained the fixed principle in clause 5.1, but clarified it by specifying that it does not impact the calculation of total revenue for the 2026/27 - 2030/31 period.
3.1(c)	9.1	Replace clause 3.1(c) with the following: "annual carryover amounts accrue in each Financial Year of the Subsequent Access Arrangement Period as the summation of the incremental efficiency gains (or losses) in the Applicable Access Arrangement Period that are carried forward for five years; and"	Removal of the words "or less into that Financial Year". Change is for clarification.	Agree	AAD has implemented AER proposed change.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
Old 3.2 [now deleted]	9.2	[Replace clause 3.2 with a clause effectively similar to clause 3.4]	Formula for ECM increment in first year of 2016-21 period should be the same as for years 2-4.	Agree, but implemented by alternative means	Rather than moving old clause 3.4 to clause 3.2, AAD has simply deleted clause 3.2, retained old clause 3.4 (now 3.3) and made the clarificatory amendments to that clause sought by the AER (save for replacing the word "year" with the phrase "financial year", which AAD considers is unnecessary and unhelpful because it is inconsistent with other descriptions of the relevant years that do not use the word "financial").
3.2	9.3	Replace the definition of non-recurrent efficiency gains _b in clause 3.3 with the following: "non-recurrent efficiency gains _b means any non-recurrent efficiency gains which were achieved in the Base Year but removed by the Relevant Regulator for the purposes of forecasting operating expenditure for the Subsequent Access Arrangement Period on the basis that they were not likely to extend to years after the Base Year".	Replace "Applicable Access Arrangement Period" with "Subsequent Access Arrangement Period". Change corrects an administrative error.	Agree	AAD has made the change requested (albeit by inserting the words "2021 Access Arrangement Period" in place of "Subsequent Access Arrangement Period" for the reason set out in the row above regarding clause 3).
3.3	9.4	Remove clause 3.4 [now 3.3]	Formula for ECM increment in first year of 2016-21 period should be the same as for years 2-4.	Agree, but implemented by alternative means	As per row above relating to Old 3.2.
3.4	9.5	[Amend definition of non-recurrent efficiency gains _b in clause 3.5 [now 3.4]]	Correction of same administrative error as described in row above relating to clause 3.2.	Agree	As per row above relating to clause 3.2.
Old 3.8(a)(i)[now deleted]	9.6	Remove old clause 3.8(a)(i) [now deleted]	Reject clause that removes changes in scope from operation of ECM.	Agree	AAD has implemented AER proposed change.
3.7(a)(i)	9.7	Remove old clause 3.8(a)(ii) [now 3.7(a)(i)]	Reject clause that removes changes in connection numbers from operation of ECM.	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
3.7(b)(iii)	9.8	Remove old clause 3.8(b)(i) [now 3.7(b)(iii)]	Reject clause that removes debt raising costs from operation of ECM.	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
Old 3.8(b)(ii) and (iii) [now deleted]	9.9	Remove old clause 3.8(b)(ii). Remove old clause 3.8(b)(iii).	Reject clause that removes insurance costs and superannuation costs from operation of ECM.	Agree	AAD has implemented AER proposed change.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
3.7(b)(i)-(vi)	9.10	Remove old clause 3.8(b)(iv).	Reject clause that removes all non-controllable costs from operation of ECM.	Agree	AAD understands that the AER agrees that specific non-controllable costs (eg UAG costs) should be excluded from the operation of the ECM but does not want a blanket exclusion for unspecified non-controllable costs. To implement this, AAD has listed the specific costs to be excluded from the operation of the ECM in clause 3.7(b)(i)-(v) as per the approach in the recently approved JGN access arrangement and included in subclause (vi) a discretion for the AER to determine that additional costs should be excluded in accordance with the drafting in the JGN access arrangement. AAD observes that this approach furthers the objective of consistency between access arrangements in different jurisdictions.
3.7(b)(vii)(A)	9.11(i)	Amend old clause 3.8(b)(v)(A) [now 3.7(b)(vii)(A)] to read: "is not forecast using a single year revealed cost approach in the Access Arrangement Period immediately following this Access Arrangement (intended to commence 1 July 2021); and".	Clarifying that next access arrangement period is intended to commence 1 July 2021.	Agree	AAD has implemented the substance of the AER proposed change but as AAD (for other reasons - see row above relating to clause 3) now defines the term '2021 Access Arrangement Period', clause 3.7(b)(vii)(A) has been amended to use this defined term and the definition of this term then clarifies that this period is expected to commence on 1 July 2021.
3.7(b)(vii)(B)	9.11(ii)	Amend old clause 3.8(b)(v)(B) to read: "the Relevant Regulator determines, as part of a decision on revisions to apply to this Access Arrangement (and following consultation processes associated with that decision), to exclude from the operation of the incentive mechanism because it is satisfied that it would not promote the National Gas Objective."	Clarification of wording	Agree	AAD has implemented AER proposed change.
3.7(c)	9.12	Amend old clause 3.8(c) to read: "the forecast operating expenditure amount for each year of Applicable Access Arrangement Period will be adjusted to include any Determined Pass Through Amounts or other AER approved expenditure arising from Cost Pass Through Events which apply in respect of that year."	Limiting application of clause adjusting ECM for expenditure arising from Cost Pass Through Events to expenditure which is approved by the AER.	Agree	AAD has implemented AER proposed change.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
Old 3.9	9.13	Remove old clause 3.9.	Reject clause specifying application of ECM formulae to an interval of delay.	Agree	AAD has implemented AER proposed change.
5.1(a)	9.14	Remove clause 5.1(a).	AER does not want to approve a fixed principle that fixes the application of an opex efficiency carryover mechanism for the purposes of the 2021-26 regulatory period.	AAD agrees but implemented by alternative means	AAD has retained clause 5.1(a), albeit with clarificatory amendments. Rationale is set out above in row relating to clause 3.
5.1(c)	11.5	Amend the access arrangement to provide that the principle in clause 7.16 is a fixed principle for the 2016–21 access arrangement period only.	Avoid setting a fixed principle that impacts the 2026-31 access arrangement period.	Agree	AAD has specified the actual access arrangement periods impacted by clauses 7.16 and 7.17, and altered the fixed principle in clause 5.1(c) in order to clarify the periods to which it applies. AAD considers this clarification results in the clauses according with the AER's position. AAD considers the fixed principle in clause 5.1(c) is required to ensure that the principle set out in clause 7.16 has its intended effect of allowing adjustment of revenue in the 2021-26 period for the recovery of costs arising from specified events that occur late in the 2016-21 period.
6.1	N/A	N/A	N/A	N/A	AAD has updated this clause to reflect the adoption in the revised proposal of a trailing average approach with no transition to the estimation of the return on debt and the specification of values for H_t in that clause that are stated on a semi-annual basis. Minor corrections to paragraph (e) to rectify typographical errors that had arisen in the previous version.
6.2(c)	N/A	N/A	N/A	N/A	AAD has updated this clause to reflect that the Reuters BBB fair value curve is now available.
7.4	11.1	Amend clause 7.4 and schedule 4 in the ActewAGL access arrangement to be consistent with Figure 11.1, Figure 11.2, Figure 11.3 and Figure 11.4.	Amend formula to allow a 2 per cent side constraint.	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
7.4	As above	As above	CPI specification (ie if ABS ceases to publish specified CPI, AER will decide on replacement).	Agree	AAD has implemented AER proposed change.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
7.4	As above	As above	Change Definition of q_t to include "audited".	Disagree	AAD has not implemented AER proposed change as the requirement for audit or other verification of the gas quantity input is already contained in the proposed access arrangement in clause 7.18 (and also clause 7.19).
7.4	As above	As above	Change Definition of p_{t-1} to no longer include reference to scaling in AA clause 7.24 (ie how to set prices when the tariff variation notice (TVN) is not submitted or is rejected).	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
7.4 and Schedule 4	As above	As above	Changes to the notation (including algebraic letters used and definitional issues such as replacement of Relevant Regulator with AER)	Disagree	AAD has not implemented changes to the notation as this is not a substantive change.
7.4 and Schedule 4	As above	As above	Repetition of parameter definitions below multiple formulas.	Disagree	AAD has not implemented this change as it is unnecessary and non-substantive.
7.5	11.2	Remove clause 7.5 in ActewAGL's access arrangement to reflect our draft decision that reference tariffs cannot be varied during a financial year to apply at a date prior to the start of the next financial year.	Reject intra-year tariff variations.	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
Old 7.6(c) [now deleted]	11.4	Remove the following cost pass through events: (i) short term trading market event	Reject this cost pass through event	Agree	AAD has implemented AER proposed change. AAD has made consequential changes to remove the definitions for 'Short Term Trading Market' and 'Short Tern Trading Market Event'.
Old 7.6(d) [now deleted]		(ii) supply curtailment event	Reject this cost pass through event	Agree	AAD has implemented AER proposed change, but only on the basis that it will be covered by the general pass through event.
7.6(c)		(iii) general pass through event	Reject this cost pass through event	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
7.16 and 7.17	11.5	Amend the access arrangement to provide that the principle in old clause 7.16 (now clause 7.17) is a fixed principle for the 2016/17 – 2020/21 access arrangement period only.	Fixed principle should not be imposed that binds the AER in respect of events occurring in the 2021/22 - 2025/26 period.	Agree	AAD has specified the access arrangement periods impacted by clauses 7.16 and 7.17, and altered the fixed principle in clause 5.1(c) in order to clarify the periods for which clause 7.17 (old clause 7.16) is a fixed principle. AAD considers this clarification results in the clauses according with the AER's position, namely that the clauses should allow for pass through of costs arising from events occurring in the 2010/11 - 2015/16 period and the 2016/17 - 2020/21 period but should not apply to events occurring in the 2021/22 - 2025/26 period.
9.1	12.7.2(6)	The AER requested that the access arrangement be amended by deleting the following text: "The anticipated extension in the Australian Capital Territory from Belconnen across the Molonglo Valley to Phillip does not represent a high pressure pipeline extension for the purposes of this section 9."	Remove the carve out from clause 9 (which clause provides that high pressure extensions must be notified to the AER) of one specific extension, being the anticipated extension from Belconnen to Phillip across the Molonglo Valley.	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.
9.4	12.7.2(7)	The AER requested that the access arrangement be amended to read: "After considering a notification under clause 9.1 and undertaking such consultation as the Relevant Regulator considered necessary, the Relevant Regulator must notify ActewAGL of its decision on ActewAGL's proposed coverage approach for the high pressure pipeline extension. The Relevant Regulator's decision referred to in clause 9.4(a) above, may be made on such reasonable conditions as determined by the Relevant Regulator and will have the effect stated in the decision."	Remove time limit on the AER decision (regarding whether an extension is covered by the Access Arrangement), confer greater discretion on the AER as to the effect of its decision and clarify that the decision may be made on reasonable conditions as determined by the AER.	Agree	AAD has implemented AER proposed change albeit with minor amendments to form.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
Schedule 1	11.3	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(i) regulatory change event</p> <p>A change in a regulatory obligation or requirement that:</p> <p>(a) falls within no other category of pass through event; and</p> <p>(b) occurs during the course of an access arrangement period; and</p> <p>(c) substantially affects the manner in which the Service Provider provides the Reference Service; and</p> <p>(d) materially increases or materially decreases the costs of providing those services."</p>	<p>Changes to:</p> <p>(1) limit the event to one which falls within no other category of pass through event</p> <p>(2) limit the event to one which occurs during the access arrangement period</p> <p>(3) include a second threshold through the use of the word 'substantially'</p> <p>(4) limit the event to one which materially increases or decreases costs</p>	<p>Agree (2)</p> <p>Disagree (1), (3) and (4)</p>	<p>AAD has implemented the AER proposed change which requires that the relevant event occur during the access arrangement period.</p> <p>AAD has not implemented the remaining proposed changes for the reasons set out in the Response.</p>
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(ii) service standard event</p> <p>A legislative or administrative act or decision that:</p> <p>(a) has the effect of:</p> <p>(i) substantially varying, during the course of an access arrangement period, the manner in which a Service Provider is required to provide the Reference Service; or</p> <p>(ii) imposing, removing or varying, during the course of an access arrangement period, minimum service standards applicable to the Reference Service; or</p> <p>(iii) altering, during the course of an access arrangement period, the nature or scope of the Reference Service, provided by the service provider; and</p> <p>(b) materially increases or materially decreases the costs to the service provider of providing the Reference Service."</p>	<p>Changes to limit the event to one which:</p> <p>(1) occurs during the access arrangement period</p> <p>(2) includes a second threshold through the use of the word 'substantially'</p> <p>(3) materially increases or decreases costs</p>	<p>Agree (1)</p> <p>Disagree (2) and (3)</p>	<p>AAD has implemented the AER proposed change which requires that the relevant event occur during the access arrangement period.</p> <p>AAD has not implemented remaining proposed changes for the reasons set out in the Response.</p>

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(iii) insurance cap event</p> <p>Insurance Cap Event means an event where:</p> <ul style="list-style-type: none"> (a) the Service Provider makes a claim or claims and receives the benefit of a payment or payments under a relevant insurance policy; (b) the Service Provider incurs costs beyond the relevant policy limit; and (c) the costs beyond the relevant policy limit increase the costs to the Service Provider of providing the Reference Service. <p>For this Insurance Cap Event:</p> <ul style="list-style-type: none"> (a) the relevant policy limit is the greater of: <ul style="list-style-type: none"> i. the Service Provider's actual policy limit at the time of the event that gives, or would have given rise to the claim; and ii. the policy limit that is explicitly or implicitly commensurate with the allowance for insurance premiums that is included in the forecast operating expenditure allowance approved in the AER's final decision for the Access Arrangement Period; (b) a relevant insurance policy is an insurance policy held during the Access Arrangement Period or a previous period in which access to the pipeline services was regulated; and (c) the Service Provider will be deemed to have made a claim on a relevant insurance policy if the claim is made by a related party of the Service Provider in relation to any aspect of the Network or the Service Provider's business <p>Note for the avoidance of doubt, in making a determination on an Insurance Cap Event, the AER will have regard to, amongst other things:</p> <ul style="list-style-type: none"> i. the insurance policy for the event, and ii. the level of insurance that an efficient and prudent Service Provider would obtain in respect of the event. " 	<p>Changes to:</p> <ul style="list-style-type: none"> (1) Define the relevant policy limit to be the greater of the level of insurance ActewAGL has purchased and that assumed or provided for in determining its approved opex. (2) Clarify that both ActewAGL Distribution's actual insurance policy and the level of insurance that an efficient prudent service provider would obtain are relevant. (3) Add a requirement for a benefit of a payment to be received under a relevant insurance policy. (4) add a requirement that costs beyond the relevant policy limit increase ActewAGL's costs of providing the reference service. 	<p>Agree with (2) and (4)</p> <p>Disagree with (1) and (3)</p>	<p>AAD has implemented AER proposed changes (2) and (4), subject to some minor corrections of typographical errors and adjustments to reflect the non-implementation of proposed changes (1) and (3).</p> <p>AAD has not implemented proposed changes (1) and (3) for the reasons set out in the Response.</p>

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(iv) insurer credit risk event</p> <p>Insurer Credit Risk Event means an event where:</p> <p>(a) A nominated insurer of the Service Provider becomes insolvent, and as a result, in respect of an existing, or potential, claim for a risk that was insured by the insolvent insurer, the Service Provider:</p> <p>i. is subject to a higher or lower claim limit or a higher or lower deductible than would have otherwise applied under the insolvent insurer's policy; or</p> <p>ii. incurs additional costs associated with self-funding an insurance claim, which would otherwise have been covered by the insolvent insurer.</p> <p>Note for the avoidance of doubt, in making a determination on an Insurer Credit Risk Event pursuant to clause 7.11 [of ActewAGL's Access Arrangement] , the AER will have regard to, amongst other things:</p> <p>i. the Service Provider's attempts to mitigate and prevent the event from occurring by reviewing and considering the insurer's track record, size, credit rating and reputation, and</p> <p>ii. in the event that a claim would have been made after the insurance provider became insolvent, whether the Service Provider had reasonable opportunity to insure the risk with a different provider."</p>	<p>Changes to:</p> <p>(1) remove ability to pass through costs arising from changed insurance premiums.</p> <p>(2) limit the definition to costs arising from existing or potential claims to the insolvent insurer.</p> <p>(3) limit the definition to costs arising from the insolvency of ActewAGL's nominated insurer.</p>	Disagree	AAD has not implemented proposed change for the reasons set out in the Response.

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(v) terrorism event</p> <p>Terrorism Event means an act (including, but not limited to, the use of force or violence or the threat of force or violence) of any person or group of persons (whether acting alone or on behalf of or in connection with any organisation or government), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons (including the intention to influence or intimidate any government and/or put the public, or any section of the public, in fear) and which increases the cost to the Service Provider in providing the Reference Service.</p> <p>Note for the avoidance of doubt, in making a determination on a Terrorism Event pursuant to clause 7.11 [of ActewAGL's Access Arrangement], the AER will have regard to, amongst other things:</p> <ul style="list-style-type: none"> i. whether the Service Provider has insurance against the event; ii. the level of insurance that an efficient and prudent service provider would obtain in respect of the event; and iii. whether a declaration has been made by a relevant government authority that a terrorism event has occurred." 	<p>Changes to:</p> <ul style="list-style-type: none"> (1) remove the express inclusion of cyber-terrorism; (2) include a requirement that the event increases ActewAGL's costs of providing the reference service 	<p>Agree (2) Disagree (1)</p>	<p>AAD has implemented AER proposed change (2), subject to some minor corrections of typographical errors.</p> <p>AAD has not implemented proposed change (1) for the reasons set out in the Response.</p>

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(vi) natural disaster event</p> <p>Natural Disaster Event means any major fire, flood, earthquake or other natural disaster that occurs during the 2016–21 Access Arrangement Period and increases the costs to the Service Provider in providing the Reference Service, provided the fire, flood or other event was not a consequence of the acts or omissions of the Service Provider. The term 'major' in the above paragraph means an event that is serious and significant.</p> <p>Note for the avoidance of doubt, in making a determination on a Natural Disaster Event pursuant to clause 7.11 [of ActewAGL's Access Arrangement], the AER will have regard to, amongst other things:</p> <ul style="list-style-type: none"> i. whether the Service Provider has insurance against the event; ii. the level of insurance that an efficient and prudent service provider would obtain in respect of the event; and iii. whether a relevant government authority has made a declaration that a natural disaster has occurred." 	<p>Changes to:</p> <ul style="list-style-type: none"> (1) exclude natural disasters that are a consequence of any acts or omissions of ActewAGL (rather than negligent acts or omissions of ActewAGL); and (2) include a requirement that the event occurs during the 2016/17 - 2020/21 access arrangement period. 	<p>Agree (2) Disagree (1)</p>	<p>AAD has implemented AER proposed change (2), subject to some minor corrections of typographical errors.</p> <p>AAD has not implemented proposed change (1) for the reasons set out in the Response.</p>

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
As above	As above	<p>Replace the definition of the following cost pass through event with the following:</p> <p>"(vii) network user failure event</p> <p>Network User Failure Event means the occurrence of an event where:</p> <ul style="list-style-type: none"> (a) a Retailer of Last Resort (RoLR) Event as defined in section 122 of the National Energy Retail Law has occurred, and (b) the Service Provider incurs costs in responding to the RoLR event in accordance with its obligations under the NERL, NERR, NGL or NGR (including Guidelines and procedures that are binding under those instruments), and (c) the costs are not recoverable by the Service Provider under other provisions of the NERL, NERR, NGL or NGR as in force at the time of the event, including but not limited to rule 531 of the NGR and other pass through events in this Access Arrangement. <p>Note for the avoidance of doubt, in making a determination on a Network User Failure Event, the AER will have regard to, amongst other things, the extent to which the Service Provider has taken steps to minimise the costs associated with its responsibilities in a RoLR Event, both prior to, and after, the RoLR Event was triggered."</p>	<p>Changes to:</p> <ul style="list-style-type: none"> (1) limit the event to one where a retailer of last resort event (as defined in s122 of the NERL) occurs and limit the pass through cost to amounts that are incurred in responding to the event in accordance with regulatory obligations and are not recoverable under other provisions; and (2) expressly set out that in making a determination, the AER will have regard to ActewAGL's steps to minimise costs arising from such an event. 	<p>Agree (2) Disagree (1)</p>	<p>AAD has implemented AER proposed change (2), subject to some drafting changes primarily due to the fact that proposed change (1) has not been implemented.</p> <p>AAD has not implemented proposed change (1) for the reasons set out in the Response.</p>

Access Arrangement Clause**	AER Revision number	AER Draft Decision Revision	Summary of AER Draft Decision	AAD Position in response	Explanation of AAD approach to AA drafting changes (AAD's Response to the draft decision and Revised AAI contain substantive rationale for AAD position)
Schedule 3 - Initial Reference Tariff Schedule	2.1, 2.2, 3.1, 4.1, 5.1, 5.2, 6.1, 7.1, 8.1, 8.2 and 13.1.	Make all necessary amendments to the access arrangement proposal to give effect to the draft decision, including in respect of roll forward of the capital base, the projected opening capital base, gamma, forecast depreciation, forecast conforming capex, forecast opex, corporate income tax and demand.	N/A	Disagree	The initial tariff schedule has been updated to reflect the revised access arrangement proposal.
Schedule 4 - Reference Tariff Adjustment Factors	11.1	Automatic Adjustment Factor	<p>Amend:</p> <ol style="list-style-type: none"> (1) Definition of realWACC; (2) UAG costs - higher costs specified; (3) T definition – does not refer to “relevant” tax (4) Defines PT_t (although we assume PT'_{t-1} is intended by the AER) to be zero in 2016/17 rather than 2015/16 (5) AP definition – refer to cross period pass through. (6) AP definition amended to require Determined Pass Through Amount to be approved by AER (7) Removes requirement for A'_t to be zero in 2017/18. (8) Carbon cost factor amount formula amended to limit it to Carbon Schemes approved by the AER. 	<p>Agree (2), (4), (5) and (7)</p> <p>Disagree (1), (3), (6) and (8).</p>	<p>AAD has implemented AER proposed changes:</p> <ol style="list-style-type: none"> (2) by updating UAG costs (4) by amending the definition of PT'_{t-1} to specify that it will be zero where t-1 refers to 2016/17. (5) by including the definition set out in the Draft Decision, subject to some minor corrections for typographical and drafting consistency reasons; (7) by removing this requirement from the definition of A'_t and making a consequential change to the definition of A'_{t-1} <p>AAD has not implemented proposed changes (1), (3), (6) and (8) for the reasons set out in the Response.</p>