Multinet GAS

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21 December 2016

Mr Chris Pattas
General Manager, Networks
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Pattas

Multinet Gas' 2018 to 2022 Access Arrangement Proposal

I am pleased to submit to the Australian Energy Regulator (AER) Multinet Gas' Access Arrangement Proposal for the 2018 to 2022 access arrangement period.

We have consulted widely in developing our proposal and the message from our stakeholders is consistent: the demand for natural gas remains strong and so too is the expectation that we will play our role in keeping it accessible, economical and reliable.

Our proposal will promote the competitiveness of natural gas by:

- Growing our demand and customer base, including through a joint gas marketing campaign;

- Moving from a weighted average price cap to a revenue cap; and

- Investing in targeted innovation, including through a digital metering trial and a Network Innovation Competition scheme.

We will continue to:

- Invest in the long term future of our network, including through our 30 year mains replacement program. This will ensure that we maintain our high levels of safety and reliability; and

- Pass through the benefits of our efficient operating model – we benchmark at the efficient frontier of Australian and New Zealand gas distributors.

Our proposal therefore provides a detailed plan for how we will continue to provide the safe, reliable and economical energy generations have come to rely on.

We look forward to engaging with the AER and our other stakeholders as they consider our Access Arrangement proposal and the AER makes its Draft Decision.

Should you have any questions, please contact Stephanie McDougall, Price Review Manager, on (03) 8846 9538 or Stephanie.McDougall@ue.com.au.

Yours faithfully

Andrew Schille
General Manager Regulation and Corporate Affairs