



# Australian Gas Networks Regulatory Framework Review 2021-2026

Draft Decision

November 2019

## Request for submissions

The Essential Services Commission (**Commission**) invites written submissions on this paper by Friday, 13 December 2019.

It is the Commission's policy to make all submissions publicly available via its website ([www.escosa.sa.gov.au](http://www.escosa.sa.gov.au)), except where a submission either wholly or partly contains confidential or commercially sensitive information provided on a confidential basis and appropriate prior notice has been given.

The Commission may also exercise its discretion not to publish any submission based on length or content (for example containing material that is defamatory, offensive or in breach of any law).

Responses to this paper should be directed to: **AGN Regulatory Framework Review Draft Decision**.

It is preferred that submissions are sent electronically to: [escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au)

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## Glossary of terms

Term	Explanation
AGN	Australian Gas Networks
AER	Australian Energy Regulator
AEMA	Australian Energy Market Agreement
Commission	Essential Services Commission, established under the Essential Services Commission Act 2002
Commission's AGN regulatory instruments	AGN's Gas Distribution Licence, the Gas Distribution Code (GDC/06), the Gas Metering Code (GMC/04), and the Gas Industry Guideline No. 1 (GIG 1.7)
Consultation Paper	The Australian Gas Networks Regulatory Framework Review 2021-2026 Consultation Paper
ESC Act	Essential Services Commission Act 2002
EWOSA	Energy and Water Ombudsman SA
Gas Act	Gas Act 1997
GDC/06	Gas Distribution Code
GIG 1.7	Gas Industry Guideline No.1
GMC/04	Gas Metering Code
GSL	Guaranteed Service Level
NECF	National Energy Consumer Framework (consists of the NERL and the NERR)
NERL	National Energy Retail Law
NERR	National Energy Retail Rules
NGL	National Gas Law
NGR	National Gas Rules
Review	Australian Gas Networks Regulatory Framework Review 2021-2026
SAFRRA	South Australian Federation of Residents and Ratepayers Association
SRMTMP	Safety, Reliability, Maintenance and Technical Management Plan
UAFG	Unaccounted for Gas

# 1 Executive summary

## Draft Decision

- ▶ Consistent with current arrangements, the Commission will not set any jurisdictional service reliability standards in the form of performance targets for AGN in the 2021 – 2026 regulatory period.
- ▶ The Commission will continue AGN's current quarterly monitoring and reporting regime, which includes three performance indicators: responsiveness to the leaks and emergencies telephone number, responsiveness to public reporting of gas leaks, and trends in unplanned interruptions.
- ▶ The Commission will make a series of amendments (59 in total) to remove duplication, enhance clarity, remove redundancy, and harmonise jurisdictional requirements with those of the national gas legislative framework. These do not materially change AGN's regulatory obligations.

The Essential Services Commission (**Commission**) is conducting a review of its regulatory instruments that apply to Australian Gas Networks (**AGN**), ahead of AGN's 2021 – 2026 regulatory period (**Review**).

The Commission initiated this Review by publishing the Australian Gas Networks' Regulatory Framework Review 2021-2026 Consultation Paper (**Consultation Paper**) on 2 July 2019.<sup>1</sup> Formal submissions were received from AGN, the Energy and Water Ombudsman SA (**EWOSA**) and Red Energy and Lumo Energy, which lodged a joint submission.

There are three main elements to this Draft Decision.

First, the Commission will not set jurisdictional service reliability standards in the form of performance targets for AGN over the 2021 – 2026 regulatory period. This is consistent with current practice, with the principal reasons for maintaining that position being that: the safety requirements prescribed by the Technical Regulator continue to deliver appropriate levels of network security and reliability; and, customers are satisfied with AGN's service.

Second, the Commission will retain the monitoring and reporting regime in its current form. AGN will be required to continue monitoring and reporting quarterly on several metrics, against three performance indicators: responsiveness to the leaks and emergencies telephone number, responsiveness to public reports of gas leaks, and trends in unplanned interruptions.

This reporting regime provides transparency over key areas of AGN's service and reliability, and will establish a basis for future performance benchmarking if required.

Third, the Commission will make amendments to each of the AGN regulatory instruments, to reduce duplication, enhance clarity, remove redundancy, and harmonise jurisdictional requirements with those of the national gas legislative framework. These include 10 amendments proposed in the Consultation Paper, and 49 amendments proposed by AGN in response to the Consultation Paper. They do not result in any material changes to AGN's regulatory obligations.

The Commission is seeking feedback on its draft decisions, and welcomes discussions with stakeholders on any of the matters raised in this Draft Decision or on any related matters.

Stakeholders are invited to discuss or provide submission/s on this Draft Decision, by **13 December 2019**. All submissions will be placed on the Commission's website, subject to any confidential material being excluded.

## 2 Background

The Essential Services Commission (**Commission**) is a statutory authority established as the independent economic regulator of essential services in South Australia under the Essential Services Commission Act 2002 (**ESC Act**). In undertaking its regulatory functions, the Commission's primary objective is the protection of the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services.<sup>2</sup>

Australian Gas Networks (**AGN**) is one of Australia's largest natural gas distribution companies.<sup>3</sup> In South Australia, AGN supplies natural gas through distribution networks of over 8000 km to more than 448,000 customers.<sup>4</sup> As the owner of a monopoly natural gas distribution network in South Australia, AGN is subject to economic regulation by the Commission and the Australian Energy Regulator (**AER**).

The majority of the economic regulatory requirements placed on AGN are administered by the AER and contained in the national gas legislation<sup>5</sup> and the National Energy Consumer Framework (**NECF**), which provide mechanisms for the regulation of prices and for consumer protections.

However, under the Australian Energy Market Agreement (**AEMA**), the South Australian Government has retained responsibility for developing standards to ensure network security and reliability (**jurisdictional service reliability standards**). This responsibility has been non-exclusively delegated to the Commission. The Commission administers this responsibility through its retained powers and functions under the Gas Act 1997 (**Gas Act**) and the ESC Act, which operate alongside the national gas legislation and the NECF.

The Commission regulates AGN's gas distribution operations in South Australia through the provision, administration and enforcement of a licensing regime, which is supported by industry codes. The Commission's regulatory instruments that apply to AGN are its Gas Distribution Licence, the Gas Distribution Code, the Gas Metering Code, and the Gas Industry Guideline No. 1 (**Commission's AGN regulatory instruments**).

Currently, the Commission's AGN regulatory instruments do not establish jurisdictional service reliability standards, in the form of performance targets. The regulatory instruments contain requirements that are specific to South Australia, and that are in addition to the national regulatory framework.

Appendix 1 provides more information on AGN's current national and state-based regulatory and consumer protection requirements.

### 2.1 Purpose and scope of this review

Every five years, the Commission reviews whether jurisdictional service reliability standards in the form of performance targets are needed to support the provision of gas distribution services at the quality and reliability levels valued by AGN's customers. The Commission undertakes these reviews in alignment with AGN's five-yearly revenue determination processes, as administered by the AER.<sup>6</sup> This enables AGN to consider in its proposal to the AER (known as an access arrangement proposal) any expenditure required (whether less or more) to deliver any jurisdictional service reliability standards set by the Commission.

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<sup>2</sup> Essential Services Commission Act 2002, section 6(a).

<sup>3</sup> AGN has operations in South Australia, Victoria, Queensland, New South Wales, and the Northern Territory. It is part of the Australian Gas Infrastructure Group, which also includes Multinet and the Dampier Bunbury Pipeline. Further information is available at: <https://www.australiangasnetworks.com.au/our-business/about-us> and <https://www.agig.com.au/>.

<sup>4</sup> See AGN's Regulatory Performance Report 2017-2018, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/553/20181220-Gas-AGN-RegulatoryPerformanceReport2017-18-Factsheet.pdf.aspx?Embed=Y>

<sup>5</sup> The national gas legislation is the: National Gas Law, National Gas Rules, and the Australian Energy Market Agreement.

<sup>6</sup> This is the fourth jurisdictional service reliability standards review of AGN undertaken by the Commission. Previous reviews were completed in 2006, 2010, and 2014.

The Commission has extended the scope of the AGN Regulatory Framework Review 2021-2026 (**Review**) to also consider the effectiveness of each of the Commission's AGN regulatory instruments.

The Review has considered:

- ▶ If AGN customers are experiencing material service or reliability issues and, if they are, considering whether establishing jurisdictional service reliability standards in the form of performance targets are required.
- ▶ Whether the Commission's AGN regulatory instruments are clear, free of redundancy and duplication, and harmonised with regulatory requirements under the national gas legislation (National Gas Rules (**NGR**) and National Gas Law (**NGL**)) and the NECF.
- ▶ If the existing performance monitoring and reporting regime effectively captures the data required to deliver transparency regarding AGN's reliability and performance.

The outcome of this Review will be a final decision on whether the current approach to regulating AGN's distribution services remains appropriate.

## 2.2 Consultation

The Commission has consulted on this Review by publishing and seeking responses to a Consultation Paper, and by observing the stakeholder engagement program that AGN is conducting to develop its access arrangement proposal for the 2021 – 2026 regulatory period.

### 2.2.1 Consultation Paper

The Commission initiated this Review by publishing the Australian Gas Networks Regulatory Framework Review 2021-2026 Consultation Paper (**Consultation Paper**) on 2 July 2019.<sup>7</sup>

The Consultation Paper provided background, context and data to assist stakeholders to contribute to this Review.<sup>8</sup> It set out several proposed amendments to the Commission's AGN regulatory instruments, to reduce duplication, enhance clarity, remove redundancy, and harmonise jurisdictional requirements with those of the national gas legislative framework.

The Consultation Paper presented evidence that no areas of AGN's service reliability performance had been identified as unsatisfactory, or requiring improvement through the introduction of service standards. The Consultation Paper outlined AGN complaints data and current performance statistics, along with feedback from engagement with key AGN stakeholders, which the Commission relied upon in coming to its preliminary conclusion.

The Consultation Paper also set out a preliminary view that the current monitoring and reporting regime continues to be an important tool to enhance transparency in regards to AGN's responsiveness to public reports of potential leaks and its network service reliability. The data provided by AGN through this monitoring and reporting regime will also inform future performance requirements if required.

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<sup>7</sup> The AGN Regulatory Framework Review 2021-2026 Consultation Paper is available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

<sup>8</sup> The AGN Regulatory Framework Review 2021-2026 Consultation Paper is available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

The Commission received three formal submissions to the Consultation Paper, from: the Energy and Water Ombudsman SA (**EWOSA**), AGN, and a joint submission from Red Energy and Lumo Energy.<sup>9</sup> These submissions are available in full on the Commission's website.<sup>10</sup>

The Commission also received informal feedback from the South Australian Federation of Residents and Rate-payers Association (**SAFRRA**), based on its submission to AGN on its draft stakeholder engagement strategy. SAFFRA's key concern is ensuring affordability and low natural gas prices for its members. That feedback has been considered in making this Draft Decision.

## 2.2.2 AGN's stakeholder engagement program

In late 2018, AGN commenced a stakeholder engagement program to understand the expectations, views and priorities of its customers on service and reliability levels to inform its 2021-2026 access arrangement proposal for the AER. The scope of the AGN's stakeholder engagement program is broad and goes beyond the focus of this Review.

The Commission has observed Stage 1 and Stage 2 of AGN's engagement program, and has raised questions regarding satisfaction with customer service and reliability levels during stakeholder meetings. Stakeholders have not indicated any issues with AGN's reliability or service levels, or raised any concerns with the Commission outside of these meetings.

AGN completed Stage 1 of its four stage stakeholder engagement program in June 2019 and has released its Stage 1 Stakeholder Engagement Report and final engagement plan.<sup>11</sup> The Stage 1 Report offers three key insights about what matters to its customers: reliability and maintaining current service levels; the need for more education around AGN and its role in the gas supply chain; and the need for AGN to continue to work collaboratively beyond the regulatory reset process.

Stage 2 of AGN's stakeholder engagement program is underway, and will conclude in November 2019. So far, it has seen AGN engage with its stakeholders and customers on the key themes and insights identified in Stage 1 through customer workshops. Further information about these customer workshops can be found on AGN's website.<sup>12</sup> The Commission has consulted with AGN during this process and understands that stakeholders and customers have not raised any concerns regarding reliability or service standards.

The Commission is satisfied that AGN's engagement activities on these key themes and insights, along with consultation undertaken by the Commission on its Consultation Paper, would have identified any customer concerns relevant to this Review. At this stage, no customer concerns regarding AGN's service reliability have been raised. However, if issues or concerns are revealed during consultation regarding this Draft Decision, the Commission will undertake further engagement prior to the release of its Final Decision in March 2020.

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<sup>9</sup> The submissions on the Consultation Paper are available on the Commission's website at: <https://www.escosa.sa.gov.au/projects-and-publications/projects/gas/agn-regulatory-framework-review-2021-2026/agn-regulatory-framework-review-2021-2026>.

<sup>10</sup> Submissions on the Consultation Paper are available on the Commission's website at: <https://www.escosa.sa.gov.au/projects-and-publications/projects/gas/agn-regulatory-framework-review-2021-2026/agn-regulatory-framework-review-2021-2026>

<sup>11</sup> See AGN's Engagement Portal available at: <https://gasmatters.agig.com.au/SA>

<sup>12</sup> See AGN's Engagement Portal available at: <https://gasmatters.agig.com.au/SA>

## 3 Jurisdictional service reliability standards

### Draft Decision

Consistent with current arrangements, the Commission will not set any jurisdictional service reliability standards in the form of performance targets for AGN in the 2021 – 2026 regulatory period.

Jurisdictional service reliability standards in the form of performance targets are not required for the 2021 – 2026 regulatory period. The safety requirements prescribed by the Technical Regulator continue to deliver sound levels of network security and reliability. Customers are satisfied with AGN's service.

Concurrently with this Review, AGN is conducting a stakeholder engagement program to inform its access arrangement proposal for the 2021 – 2026 regulatory period. So far, the program has identified that AGN customers are satisfied with network security and reliability. The Commission will continue its engagement with AGN, to ensure any outstanding issues or concerns are considered in the Review's Final Decision.

### 3.1 Reasons for Draft Decision

As outlined in the Consultation Paper,<sup>13</sup> AGN's current performance indicates a safe and reliable gas distribution network, and a satisfactory level of responsiveness to public concerns and complaints.<sup>14</sup> Evidence of sound current performance is that:

- ▶ unplanned interruption data illustrates that AGN's service continues to be reliable and consistent<sup>15</sup>
- ▶ AGN's performance reporting to the Commission shows that AGN is providing timely responses to public reports of gas leaks<sup>16</sup>
- ▶ lack of systemic issues in complaints directed to AGN and those escalated to EWOSA
- ▶ feedback from the AGN stakeholder engagement program, which has identified that AGN customers are satisfied with network security and reliability, and
- ▶ findings of previous Commission reviews, that customers are satisfied with AGN's service and reliability levels.<sup>17, 18</sup>

AGN's reliability performance is underpinned by the safety requirements set by the Technical Regulator. These complement the Commission's public-facing and customer-focused regulatory obligations. This

<sup>13</sup> The AGN Regulatory Framework Review 2021-2026 Consultation Paper is available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

<sup>14</sup> See chapter 3 of the AGN Regulatory Framework Review 2021-2026 Consultation Paper for further details on AGN's current performance, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

<sup>15</sup> See paragraph 3.3, 'long-term trends in unplanned interruptions' in AGN regulatory framework review 2021-2026 Consultation Paper, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

<sup>16</sup> See AGN's Regulatory Performance Report 2017-2018, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/553/20181220-Gas-AGN-RegulatoryPerformanceReport2017-18-Factsheet.pdf.aspx?Embed=Y>

<sup>17</sup> See AGN Jurisdictional Service Standards Review for the 2016-2021 Regulatory Period - Final Decision, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/562/20150604-Gas-AGN-JSS-2016-2021-FinalDecision.pdf.aspx?Embed=Y>

<sup>18</sup> See Chapter 3 of AGN regulatory framework review 2021-2026 Consultation Paper for further analysis of AGN's performance, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

balance of responsibilities seeks to deliver the gas distribution services AGN customers want at the quality and reliability levels they value, while ensuring public safety requirements are met.

### 3.1.1 Consideration of submissions

This Review's Consultation Paper proposed that jurisdictional service reliability standards in the form of performance targets should not be introduced for the 2021 – 2026 period. This was based on the rationale presented above. The Consultation Paper sought feedback on this proposal, and asked:

- ▶ Does AGN's current performance support the Commission's proposal to not introduce jurisdictional service reliability standards to achieve the reliability outcomes valued by AGN's customers?
- ▶ Is there any evidence that customers' expectations are not being met by AGN?

AGN supported the Consultation Paper's proposal. Its submission stated that maintaining reliability and service levels has been a key theme in its recent engagement activities, in that its customers say their expectations are being met, and that AGN's focus should be on maintaining current service levels.

EWOSA supported the conclusion outlined in the Consultation paper, that the technical and safety requirements prescribed by the Technical Regulator are sufficient to deliver the reliability outcomes valued by AGN's customers. EWOSA noted that this conclusion is based partly on evidence obtained from EWOSA, that is, low numbers of complaints about AGN and no material service reliability issues.

EWOSA also noted that at the time of making its submission, AGN's stakeholder engagement program was still in its early stages, and that it would expect any issues arising from the remainder of the program to be considered by the Commission in making its Final Decision.

In their joint submission, Red Energy and Lumo Energy noted general support for the proposal by the Commission not to implement any jurisdictional service reliability standards in the form of performance targets, and retain current performance settings for the 2021 – 2026 regulatory period.

The Commission has had regard to submissions in making this Draft Decision. The proposal to not introduce jurisdictional service reliability standards is consistent with those submissions.

## 4 Monitoring and performance regime

### Draft Decision

The Draft Decision is to retain the monitoring and reporting regime in its current form: AGN will be required to continue monitoring and reporting quarterly on three performance indicators: responsiveness to the leaks and emergencies telephone number, responsiveness to public reporting of gas leaks, and trends in unplanned interruptions.

AGN will continue monitoring and reporting quarterly on the existing three performance indicators over the 2021 – 2026 regulatory period. The three performance indicators, and supporting metrics are:

- ▶ Responsiveness to the leaks and emergencies telephone number:
  - total number of telephone calls received on the leaks and emergencies number
  - total number (and percentage) of telephone calls to the leaks and emergencies number answered within 30 seconds, and
  - average answer time (in seconds) for calls to the leaks and emergencies number.
- ▶ Responsiveness to public reporting of gas leaks:
  - total number of potential gas leaks reported by the public
  - total number of high priority gas leaks reported by the public
  - total number of other gas leaks reported by the public
  - percentage of gas leak reports by the public attended within the timeframes in AGN's Leakage Management Plan, and
  - total number of publicly reported potential gas leaks where no leak was found.
- ▶ Trends in unplanned interruptions:
  - Customers experiencing multiple interruptions – the number of customers that have two or more interruptions within a year where the interruption is unplanned and caused by operator actions, third party damage or asset condition.
  - Customers experiencing long duration interruptions – the number of events within a year where a gas supply is not restored within 12 hours and where the interruption is unplanned and caused by operator actions, third party damage or asset condition.

The manner and form of AGN's quarterly reporting to the Commission on these performance indicators will continue to be stipulated in the Gas Industry Guideline No.1, and performance data will continue to be published on the Commission's website annually, in the AGN Regulatory Performance Report.<sup>19</sup>

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<sup>19</sup> See AGN's Regulatory Performance Report 2017-2018, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/553/20181220-Gas-AGN-RegulatoryPerformanceReport2017-18-Factsheet.pdf.aspx?Embed=Y>

## 4.1 Reasons for Draft Decision

The reporting regime ensures transparency around AGN's leakage management and response performance, serves to identify any poorly performing segments of AGN's network, and gathers data to enable future benchmarking of AGN's performance.

### 4.1.1 Consideration of submissions

This Review's Consultation Paper proposed to retain the existing monitoring and reporting regime in its current form. The Consultation Paper sought feedback on this proposal, and asked:

- ▶ Are the Commission's current performance reporting indicators appropriate and sufficient to monitor AGN's reliability outcomes?
- ▶ Does AGN currently provide its customers with the right type of information to allow them to assess its performance? If not, what would you propose and why?

AGN supported the proposal. Its position is that the current monitoring and reporting regime, and associated performance reporting indicators, are appropriate and sufficient to monitor its performance.

AGN noted the broad range of monitoring and reporting it currently conducts. It stated that this reporting gives a complete impression of AGN's performance, and provides transparency and information for stakeholders. Its activities include reporting to the Commission, other regulators, and customer-focused reporting.

AGN's regulatory reporting to the Technical Regulator includes safety and reliability performance, against a number of performance indicators, on an annual and/or quarterly basis. It is currently consulting with the AER to develop an annual report for gas service providers on financial, operational and service performance.

In regard to customer-focused reporting, AGN submitted that consideration of its key audience has led to the reporting data being presented via infographics and other easy to interpret methods. AGN is committed to the Australian energy industry's Energy Charter,<sup>20</sup> which it believes will improve transparency, partly by requiring publication of a 'report card' of its progress against key principles (including reliability) in a format that allows comparison with other utilities.

EWOSA considered the Commission's current performance reporting indicators to be appropriate and sufficient to monitor AGN's reliability outcomes. EWOSA also stated that its own complaints data does not suggest there are additional gaps in the Commission's monitoring and reporting regime. This is significant, considering that it is EWOSA's role to receive, investigate and facilitate the resolution of complaints from AGN customers that cannot be resolved internally by AGN.

In their joint submission, Red Energy and Lumo Energy noted their general support for the changes proposed by the Commission in its Consultation Paper. This support included maintaining the monitoring and reporting regime with the existing performance indicators for the 2021 – 2026 regulatory period.

The Commission has had regard to submissions in making this Draft Decision. The proposal to retain the monitoring and reporting regime in its current form is consistent with those submissions.

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<sup>20</sup> More information regarding the Australian Energy Industry Energy Charter is available at: <https://www.theenergycharter.com.au/>

## 5 Regulatory instruments

### Draft Decision

Amendments will be made to each of the Commission's AGN regulatory instruments, to reduce duplication, enhance clarity, remove redundancy, and harmonise jurisdictional requirements with those of the national gas legislative framework.

**The amendments do not result in any material changes to AGN's regulatory obligations.**

Amendments will be made to the Gas Distribution Code and the Gas Metering Code, AGN's Gas Distribution Licence and Gas Industry Guideline No. 1.

The amendments include those 10 amendments proposed by the Commission in the Consultation Paper, and 49 amendments proposed by AGN in response to the Consultation Paper. Overall, they do not result in material changes to AGN's regulatory obligations.

The amendments first proposed by the Commission in the Consultation Paper (to the Gas Distribution Code and the Gas Metering Code) were proposed on the basis that they make those instruments clear, free of redundancy and duplication, and harmonised with regulatory requirements under the national gas legislation (NGR and NGL), and the NECF (National Energy Retail Rules (**NERR**) and National Energy Retail Law (**NERL**)).

The Commission's 10 proposed amendments are set out below, as they relate to the Gas Distribution Code and Gas Metering Code. AGN's 49 proposed amendments, together with the Commission's responses, are set out in a table at Appendix 2 of this Draft Decision.

The full suite of amendments are highlighted in the draft revised regulatory instruments included at Appendix 3, 4, 5, and 6.

### 5.1 Gas Distribution Code (GDC/06) – reasons for Draft Decision

The Draft Decision is to remove the following clauses from the Gas Distribution Code:

- ▶ Clause 2.1.1(e) and its subclauses, to properly reflect the final decision of the Commission in its previous jurisdictional service reliability standards review.<sup>21</sup>

In its final decision on the AGN regulatory framework to apply from 2016 to 2021, the Commission decided to remove prescribed Unaccounted for Gas (**UAFG**) performance requirements from the Gas Distribution Code. (UAFG is the difference between the measured quantities of gas entering AGN's distribution network and the measured quantities of gas billed to end use customers).

Clauses 2.1.1 (e)(i) and (ii) specify UAFG targets for AGN for the previous regulatory period, which were achieved by AGN, and are now out-of-date and redundant.

- ▶ Clause 2.3.1(e) and its subclauses, as these duplicate clauses contained in the NERR model terms and conditions for deemed standard connection contracts, which stipulate minimum requirements for AGN.

The Draft Decision is the same as the proposal made by the Commission in the Consultation Paper.

<sup>21</sup> See AGN Jurisdictional Service Standards Review for the 2016-2021 Regulatory Period - Final Decision, available at <https://www.escosa.sa.gov.au/ArticleDocuments/562/20150604-Gas-AGN-JSS-2016-2021-FinalDecision.pdf.aspx?Embed=Y>

### 5.1.1 Consideration of submissions

The Consultation paper sought feedback on the Commission's proposals, and asked:

- ▶ Do the Commission's proposed amendments to the Gas Distribution Code and Gas Metering Code seem appropriate? Are there other amendments that should be considered?
- ▶ Is there any other duplication of, or inconsistency with, regulatory requirements made under the national gas legislation that the Commission needs to consider?

AGN supported removal of clauses 2.1.1(e)(i) and (ii) of the Gas Distribution Code on the basis that these clauses are now redundant. It also supported removal of clauses 2.3.1(e)(i)-(iv) of the Gas Distribution Code on the basis they are a duplication of requirements contained in the NERR.

In response to the consultation questions posed by the Commission, AGN proposed 49 further amendments to the Commission's AGN regulatory instruments on the basis of duplication and improving clarity (included as Appendix A to AGN's submission).<sup>22</sup>

AGN's 49 proposed amendments, together with the Commission's responses, are set out in a table at Appendix 2 of this Draft Decision. All amendments accepted by the Commission have no material effect on AGN's regulatory obligations. Amendments are highlighted in the draft revised regulatory instruments included at Appendix 3, 4, 5, and 6.

Additionally, AGN proposed amendments relate to the Commission's Compliance Systems and Reporting Energy Industry Guideline No. 4. The Commission plans to review that Guideline in late 2019. AGN's proposed amendments to this instrument will be considered at that time.

EWOSA supported the Commission's proposed amendments to the Gas Distribution Code, noting that they would remove redundant and duplicate clauses.

Red Energy and Lumo Energy asked for clarification about where AGN's UAFG targets would be set for the 2021 – 2026 regulatory period if clause 2.1.1 of the Gas Distribution Code was removed, as proposed.

For the reasons explained below, there are no UAFG targets for the 2016 – 2021 period, and none will apply for the 2021 – 2026 regulatory period.

In 2015, the Commission decided not to apply UAFG targets to AGN for the 2016 – 2021 period, as UAFG is primarily a safety issue rather than an indicator of service reliability, and is better regulated by the Technical Regulator through the SRMTMP process.<sup>23</sup> The Technical Regulator continues to regulate gas distribution safety issues and there is no need to re-introduce UAFG targets under the Code. The UAFG targets in the Gas Distribution Code (clause 2.1.1) relate to the previous regulatory period (2012 - 2016).<sup>24</sup> This Draft Decision is to remove references to those targets as they are now redundant. The Commission will continue to consult with both the Technical Regulator and the AER on AGN's UAFG performance.

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<sup>22</sup> AGN's submission to the AGN regulatory framework review 2021-2026 Consultation Paper is available at: <https://www.escosa.sa.gov.au/ArticleDocuments/11400/20190828-Gas-AGN-Regulatory-Framework-Review-2021-26-Submission-AGN.pdf.aspx?Embed=Y>

<sup>23</sup> See AGN Jurisdictional Service Standards Review for the 2016-2021 Regulatory Period - Final Decision, available at: <https://www.escosa.sa.gov.au/ArticleDocuments/562/20150604-Gas-AGN-JSS-2016-2021-FinalDecision.pdf.aspx?Embed=Y>

<sup>24</sup> AGN met its 2015-16 UAFG targets stipulated in the Gas Distribution Code, and UAFG is no longer a material issue. AGN's UAFG fell from 1923 TJ in July 2011 to 716 TJ in 2017-2018, largely due to an ongoing 'aged' mains replacement program and a reduction in operating pressure in high pressure gas mains. Data obtained from AGN's SA Distribution Network UAFG Performance Review 2018.

## 5.2 Gas Metering Code (GMC/04) – reasons for Draft Decision

The Draft Decision is to amend the Gas Metering Code so that where clauses require approvals of a technical nature, those approvals are provided by the Technical Regulator rather than the Commission. This affects the following clauses:

- ▶ Clause 3.6.1(b), relating to non-compliant meters
- ▶ Clauses 3.4.1, 3.4.2 and 3.4.6(b), relating to meter classes, and
- ▶ Clauses 5.1.1, 5.1.3, 5.1.5, relating to the Gas Measurement Management Plan.

The Commission and the Technical Regulator agree that these approvals should properly be granted by the Technical Regulator. This reflects the statutory functions of the Technical Regulator,<sup>25</sup> and, as the Technical Regulator is the entity with the appropriate expertise, it is a logical delineation of regulatory oversight. Accordingly, the clauses will remain in the Gas Metering Code, but be amended to require that entities seek the approval of the Technical Regulator, rather than the Commission.

The Draft Decision is also to clarify that the Gas Metering Code does not apply to small-scale networks and reticulated LPG operations,<sup>26</sup> at clause 1.4.2.

### 5.2.1 Consideration of submissions

AGN agreed that the specified clauses within the Gas Metering Code should be amended to require the approval of the Technical Regulator rather than the Commission. AGN also supported an amendment to clarify that small-scale gas networks, including reticulated LPG entities, are not bound by the Code.

As noted above, in response to consultation questions posed by the Commission, AGN proposed 49 further amendments to the Commission's AGN regulatory instruments, to remove duplication and improve clarity. These are included as Appendix A to AGN's submission, and are also set out, together with the Commission's responses, in a table at Appendix 2 of this Draft Decision.

EWOSA supported the amendments to the Gas Metering Code, noting that they are in line with the recent legislative change to the Gas Act.

Red Energy and Lumo Energy noted support for all gas metering obligations to remain in the Gas Metering Code, and did not support the removal of obligations to other instruments. The Commission is not proposing to move any metering obligations to other regulatory instruments.

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<sup>25</sup> See section 8 of the Gas Act 1997 (SA).

<sup>26</sup> For reticulated LPG operations, the Reticulated LPG Industry Code applies. Available at: [https://www.escosa.sa.gov.au/ArticleDocuments/653/130404-ReticulatedLPGIndustryCode\\_RLIC-01.pdf.aspx?Embed=Y](https://www.escosa.sa.gov.au/ArticleDocuments/653/130404-ReticulatedLPGIndustryCode_RLIC-01.pdf.aspx?Embed=Y)

## 6 Next steps

### 6.1 Review process

There are three stages to the review process:

- ▶ Stage 1: July 2019 - Public consultation on a Consultation Paper (complete).
- ▶ Stage 2: November 2019 – 13 December 2019 - Public consultation on the Draft Decision (including amended draft regulatory instruments).
- ▶ Stage 3: March 2020 - Informing the public about the Commission's Final Decision on the Review.

Stakeholders are invited to discuss or provide submission/s on this Draft Decision, by 13 December 2019. All submissions will be placed on the Commission's website, subject to any confidential material being excluded. The Commission welcomes discussions with stakeholders on any of the matters raised in this Draft Decision or on any related matters.

Following consideration of the issues raised in submissions received during consultation on the Draft Decision, the Commission will release its Final Decision in March 2020. The Commission's regulatory instruments will be amended to reflect the Final Decision and will apply from 1 July 2020.

## 7 Appendices

**Appendix 1: AGN's legal and regulatory framework**

**Appendix 2: Table of Commission responses to AGN's proposed amendments**

**Appendix 3: Draft AGN Gas Distribution Licence**

**Appendix 4: Draft Gas Distribution Code**

**Appendix 5: Draft Gas Metering Code**

**Appendix 6: Draft Gas Industry Guideline No. 1**

## Appendix 1: The legal and regulatory framework

As set out in Table 1, the national framework operates in conjunction with jurisdictional requirements. AGN is subject to the requirements of the Gas Act 1997 (**Gas Act**), National Gas Law (**NGL**), National Gas Rules (**NGR**), National Energy Consumer Framework (**NECF**) and the Australian Energy Market Agreement (**AEMA**),<sup>27</sup> which establish the regulatory framework for the gas industry in South Australia.

Table 1: Regulatory powers and functions that apply to AGN

Australian Energy Market Agreement
<p>The AEMA is a Council of Australian Governments Agreement that establishes the Australian Energy Market Commission, the Australian Energy Market Operator and the Australian Energy Regulator.</p> <p>Under the AEMA, the responsibility for developing standards to ensure network security and reliability (<b>jurisdictional service reliability standards</b>) is retained by the South Australian State Government, and non-exclusively delegated to the Commission.</p>
Australian Energy Regulator
<p>The Australian Energy Regulator (<b>AER</b>) regulates the electricity and gas industries in all jurisdictions except Western Australia, by enforcing the:</p> <ul style="list-style-type: none"> <li>▶ National Gas Rules</li> <li>▶ National Electricity Rules, and</li> <li>▶ National Energy Customer Framework, consisting of the: National Energy Retail Law, National Energy Retail Rules, and National Energy Retail Regulations.<sup>28</sup></li> </ul> <p>The AER is responsible for making a revenue determination for each AGN regulatory period as part of AGN's Access Arrangement. In making each determination, the AER must assess the efficient level of expenditure for AGN. In doing so, the AER has regard to AGN's regulatory requirements, including jurisdictional service reliability standards.<sup>29</sup></p>
Essential Services Commission Act 2002
<p>The Essential Services Commission Act 2002 (<b>ESC Act</b>) establishes the Commission's power to perform licensing and, make, monitor and enforce industry codes, rules and guidelines.</p>
Gas Act 1997
<p>Establishes the Commission's responsibility to administer the licensing regime that applies to gas entities, including AGN as the distribution network operator. The Commission is vested with the following powers and functions under section 6A of the Gas Act:</p> <ul style="list-style-type: none"> <li>▶ the licensing, price regulation<sup>30</sup> and other functions and powers conferred by this Act, and</li> <li>▶ any other functions and powers conferred by regulation under this Act.</li> </ul> <p>If regulated entities are required (whether by licence condition or otherwise) to participate in an ombudsman scheme, the Commission must, in performing licensing functions under the Gas Act, liaise with the ombudsman appointed under the scheme.</p> <p>The Governor may, by regulation, confer functions and powers on the Commission, or vary the functions and powers of the Commission, as the Governor considers necessary or expedient for the purposes of the National</p>

<sup>27</sup> The Australian Energy Market Agreement provides for State and Territory Governments to retain responsibility for developing service reliability standards to ensure network security and reliability. The Commission is responsible for developing, implementing and administering the jurisdictional service standards for Australian Gas Networks.

<sup>28</sup> The NECF does not currently apply in Western Australia, Victoria and the Northern Territory. For more information visit: <https://www.aemc.gov.au/regulation/legislation>

<sup>29</sup> National Gas Rules, rule 79(2)(c)(iii).

<sup>30</sup> The Commission no longer undertakes price regulation for AGN, this power was varied by the Governor under s 6(a)(3). This role is now undertaken by the Australian Energy Regulator.

Gas (South Australia) Act 2008, National Gas Rules, National Energy Retail Law (South Australia) and National Energy Retail Rules.

In performing functions under the Gas Act, the Commission must also have regard to the provisions of the National Gas Rules and National Energy Retail Rules and the need to avoid duplication of, or inconsistency with, regulatory requirements under those Rules.

### AGN's gas distribution licence

Sets out conditions upon which AGN is able to operate its various gas distribution networks, including requirements to:

- ▶ Monitor and report to the Commission on compliance with local and national regulatory instruments.
- ▶ Comply with good gas industry practice.
- ▶ Undertake periodic audits of its operations and compliance with its regulatory obligations.
- ▶ Provide financial, technical and other information relevant to its ability to continue operations.
- ▶ Prepare, submit and annually review a safety, reliability, maintenance and technical management plan (SRMTMP) and an unaccounted for gas (UAFG) plan, including a Leakage Management Plan, Asset Management Plan and a Mains Replacement Plan.
- ▶ Comply with concession and community service obligations approved and funded by the Minister.
- ▶ Comply with rules regarding the retention, use and disclosure of customer information.

### Gas Distribution Code, Gas Metering Code & Gas industry Guideline No. 1

The Gas Distribution Code (GDC/06) establishes standards requiring AGN to:

- ▶ Annually report on performance against service standards.
- ▶ Meet distributor obligations, including: operational and security standards; maintaining appropriate levels of gas pressure; delivering gas in accordance terms and conditions.
- ▶ Maintain the capability of its distribution system.
- ▶ Comply with connection and reconnection after disconnection requirements.

The Gas Metering Code (GMC/04) establishes standards and obligations on AGN in regard to:

- ▶ The provision of metering installations.
- ▶ Metering installation testing.
- ▶ Meter reading and data collection.
- ▶ The annual preparation, submission and review of a Gas Measurement Management Plan.

Gas Industry Guideline No.1 (GIG 1.7) sets out manner and form, as well as timing, requirements for the collection, allocation, recording and reporting of business data (including performance indicators) by AGN with respect to the operation of the distribution system authorised in its distribution licence.

### Technical Regulator

The Technical Regulator's primary objective is ensuring the safety of workers, consumers and property as well as compliance with legislation and applicable technical standards in the electricity, gas and water industries.

The position of the Technical Regulator is established under the following Acts:

- ▶ Electricity Act 1996.
- ▶ Gas Act 1997.
- ▶ Energy Products (Safety and Efficiency) Act 2000.
- ▶ Water Industry Act 2012.

The Technical Regulator has the following responsibilities pursuant to section 8 of the Gas Act:

- ▶ Monitoring and regulation of safety and technical standards in the gas supply industry.
- ▶ Monitoring and regulation of safety and technical standards relating to gas installations.
- ▶ Providing advice in relation to safety or technical standards in the gas supply industry to the Commission at its request.
- ▶ Fulfilling any other function assigned to the Technical Regulator under the Act.

## A Licensing

The Commission's powers and functions in relation to AGN are contained in the Gas Act and the ESC Act. Under the Gas Act, AGN is required to hold a licence authorising it to operate the gas distribution system in South Australia; the Commission is the licensing authority for this purpose. Sections 25 and 26 of the Gas Act mandate certain licence terms and conditions, while providing the Commission with the discretionary power to include additional licence terms and conditions.

In addition to the mandated conditions listed in Table 1, the Commission has made AGN's gas distribution licence subject to two further conditions:

- ▶ **Good gas industry practice:** AGN's gas distribution licence requires it to use its best endeavours to conduct the operation of its gas distribution network in accordance with 'good gas industry practice'<sup>31</sup>, including to conduct its operations so as to: prevent death or injury to persons or damage to property; minimise leakage of gas; and account for the total amount of gas lost from the distribution system from leakage or an activity referred to in section 82(1) of the Gas Act.<sup>32</sup>
- ▶ **Unaccounted for Gas Plan:** The level of UAFG is the difference between the measured quantities of gas entering AGN's distribution network and the measured quantities of gas billed to end use customers. AGN is required to operate its gas distribution network so as to minimise the leakage of gas and to account for the total amount of gas lost from the distribution system as a result of leakage.<sup>33</sup> AGN is also required to use its best endeavours to reduce the levels of UAFG in each year of the current regulatory period.<sup>34</sup>

## B Industry codes and guidelines

Under section 28 of the ESC Act, the Commission is empowered to make codes or rules relating to the conduct or operations of a regulated industry or regulated entities. The Commission has exercised this power in regard to the gas industry, and made the Gas Distribution Code and the Gas Metering Code. Under section 8 of the ESC Act the Commission has also made the Gas Industry Guideline No. 1.

Gas Industry Guideline No.1 sets out the manner, form and timing requirements for the reporting of AGN's performance against those requirements set by the Commission under AGN's Gas distribution licence, and the Gas Metering and Gas Distribution Codes. Gas Industry Guideline No.1 also partially captures the information required from AGN by the Technical Regulator.

Under section 6A(4) of the Gas Act, the Commission has a statutory responsibility to have regard to the provisions of the NGR and NERR, and the need to avoid duplication of, or inconsistency with, regulatory requirements under those Rules.

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<sup>31</sup> Good gas industry practice is defined in AGN's gas distribution licence. It 'means the exercise of that degree of skill, diligence, prudence and foresight that reasonably would be expected from a significant proportion of operators of gas distribution systems forming part of the Australian gas supply industry under conditions comparable to those applicable to the distribution system operated by the licensee consistent with applicable regulatory instruments, reliability, safety and environmental factors', see <https://www.escosa.sa.gov.au/ArticleDocuments/907/20161005-Gas-DistributionLicence-AustralianGasNetworks.pdf.aspx?Embed=Y>.

<sup>32</sup> Australian Gas Networks' Gas distribution licence, clause 5.

<sup>33</sup> Australian Gas Networks' Gas distribution licence, clause 5.1(b) and (c).

<sup>34</sup> Australian Gas Networks' current Access Arrangement, available at <https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/australian-gas-networks-sa-access-arrangement-2016-21>

## C Technical regulation

The Gas Act vests the Technical Regulator with powers, functions and obligations in respect of the gas industry. Under section 8(1) of the Gas Act, the statutory functions of Technical Regulator are:

*'... (b) the monitoring and regulation of safety and technical standards in the gas supply industry; and  
(c) the monitoring and regulation of safety and technical standards with respect to gas installations; and  
(d) the provision of advice in relation to safety or technical standards in the gas supply industry to the Commission at the Commission's request; and  
(e) any other functions prescribed by regulation or assigned to the Technical Regulator by or under this or any other Act.'*

It is the role of the Technical Regulator to set safety and technical obligations and ensure AGN meets these requirements to provide the safety and reliability outcomes expected of the gas industry by the community.

Pursuant to section 28 of the Gas Act, the Commission must make a licence authorising the operation of a distribution system subject to conditions, including requiring the gas entity: 'to prepare, maintain and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation.'<sup>35</sup>

It is the responsibility of the Technical Regulator to approve AGN's SRMTMP, any revisions of the plan, and the results of AGN's audits of its compliance with the plan.<sup>36</sup>

## D Jurisdictional customer protection requirements

The national gas legislation and the NECF establish the comprehensive suite of consumer protections for residential and small business gas customers.<sup>37</sup>

As part of the national framework, individual jurisdictions, including South Australia, have retained the power to prescribe two specific obligations, referred to in the national framework as 'distributor service standards':<sup>38</sup>

- ▶ **Preconditions to connection:** AGN must connect a customer to its distribution system on fair and reasonable terms, provided various preconditions have been satisfied. The national framework allows the South Australian Government to define these preconditions, a responsibility delegated to the Commission. The Commission defines the preconditions in the Gas Distribution Code. As the national framework requires, these preconditions are in turn included in AGN's Standing Offer for Basic Connection Services which is approved by the AER.<sup>39</sup>
- ▶ **Reconnection after disconnection:** AGN is required to use its best endeavours to reconnect a disconnected customer's supply address within sufficient time for a retailer to meet its contractual obligations to the customer as set out in the NERL. The national framework allows the South Australian Government to define 'sufficient time'. However, the Gas Distribution Code does not currently establish specific timeframes for reconnections. AGN currently performs reconnections within two business days unless the customer requests a later date.

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<sup>35</sup> Gas Act 1997, section 26(1)(a)(i).

<sup>36</sup> Gas Act 1997, section 26(1)(a)(ii)-(iv).

<sup>37</sup> The consumer protections apply only to small customers consuming less than 1 TJ of gas per annum.

<sup>38</sup> AGN's summary of the distributor service standards applicable to its South Australian network are available at <https://www.australiangasnetworks.com.au/gas-connections/the-process/contract-information>

<sup>39</sup> AGN's 'Model Standing Offer for a Basic Connection Service', available at <https://www.australiangasnetworks.com.au/gas-connections/the-process/contract-information>

In addition to the customer protections in the national regulatory framework above (referred to as 'distributor service standards'), individual State and Territory Governments have retained the responsibility for developing service reliability standards to ensure network security and reliability (jurisdictional service reliability standards) under the AEMA.<sup>40</sup>

### **Jurisdictional service reliability standards**

The Commission has not previously set jurisdictional service reliability standards for AGN. This decision has been made on evidence demonstrating that AGN is delivering the reliability outcomes that customer's value without prescribed standards. It is apparent that AGN achieves these outcomes as a by-product of continuing to meet its safety and technical management regulatory requirements set by the Technical Regulator.

For the current review process, the Commission has assessed AGN's latest performance and complaints data, including complaints directed to AGN and those escalated to the Energy and Water Ombudsman SA (EWOSA). This performance and complaints data suggest AGN continue to provide a reliable and satisfactory service to its customers,<sup>41</sup> an outcome driven by the Technical Regulator's public safety requirements.

### **Monitoring and reporting regime**

Although the Commission has not identified a need to prescribe service reliability standards, it has prescribed performance indicators and an associated monitoring and reporting regime.

The Commission's current monitoring and reporting regime applies to two performance areas and requires AGN to provide data on three performance indicators.<sup>42</sup>

Performance area one: AGN's responsiveness to public reports of potential gas leaks

1. Indicator one: AGN's responsiveness to the leaks and emergencies telephone number, and
2. Indicator two: AGN's responsiveness to public reports of potential gas leaks.

Performance area two: AGN customers experiencing poor reliability outcomes.

3. Indicator three: AGN customers experiencing multiple and/or long duration interruptions.

AGN reports to the Commission on these performance areas on a quarterly basis, in the manner and form stipulated in the Gas Industry Guideline No.1. The Commission publishes this performance data on its website annually in its AGN Regulatory Performance Report.

The reporting regime is designed to improve transparency around AGN's leakage management and response performance, identify any poorly performing segments of AGN's network, and gather data to enable future benchmarking of AGN's performance.

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<sup>40</sup> Australian Energy Market Agreement, Annexure 2 clause 19, available at [http://www.coagenergycouncil.gov.au/sites/prod.energycouncil/files/publications/documents/Australian%20Energy%20Market%20Agreement%20-%20Dec%202013\\_1.pdf](http://www.coagenergycouncil.gov.au/sites/prod.energycouncil/files/publications/documents/Australian%20Energy%20Market%20Agreement%20-%20Dec%202013_1.pdf)

<sup>41</sup> See Chapter 3 of ESCOSA's AGN Regulatory Frameworks Review 2021-2026 Consultation Paper, available here: <https://www.escosa.sa.gov.au/ArticleDocuments/11399/20190702-Gas-AGN-RegulatoryFrameworkReview2021-2026-Consultation.pdf.aspx?Embed=Y>

<sup>42</sup> AGN publishes its performance against these indicators in its Annual General Report, available at: <https://www.australiangasnetworks.com.au/our-business/about-us/annual-reports>.

## Appendix 2: Table of Commission responses to AGN’s proposed amendments

Gas Distribution Licence – Australian Gas Networks Limited (ACN 078 551 685) as last varied on 15 September 2016		
Clause	AGN proposal	Commission Draft Decision
7.2 The licensee must notify the Commission of any changes to its officers or major shareholders (if applicable) within 20 business days of that change.	<p>The recent Gas Distribution Licence for Enwave Tonsley Pty Ltd (ACN 623 288 175) issued 15 May 2019 clause 5.2 states:</p> <ul style="list-style-type: none"> <li>▶ The licensee must notify the Commission of any changes to its officers or major shareholders (if applicable) within 30 business days of that change.</li> </ul> <p>ElectraNet Pty Ltd (ACN 094 482 416) Electricity Transmission Licence dated 1 July 2008 clause 12.2 states:</p> <ul style="list-style-type: none"> <li>▶ The licensee must notify the Commission of any changes to its officers, and (if applicable) major shareholders, within 30 days of that change.</li> </ul> <p>SA Power Networks (ABN 13 332 330 749) Distribution Licence dated 28 August 2013 clause 12.2 states:</p> <ul style="list-style-type: none"> <li>▶ The Licensee must notify the Commission of any changes to its officers or major shareholders (if applicable) within 30 days of that change.</li> </ul> <p>Given the consistency of the clause between other major entities regulated by ESCOSA AGN requests an amendment to clause 7.2 of its Gas Distribution Licence to align with the “30 business days”.</p>	<p><b>ACCEPTED</b></p> <p>Clause amended to ‘within 30 days’ to be consistent with licences issued to other major entities, such as ElectraNet and SA Power Networks.</p>
7.3 The licensee must promptly notify the Commission of any significant reduction in its financial capacity which has potential to impact upon the licensee’s ability to carry on the operations authorised by this licence.	<p>AGN proposes that given Clause 7.1 of its gas distribution licence states:</p> <p>7.1 The licensee must, from time to time as required by the Commission and in a manner and form determined by the Commission, provide to the Commission:</p>	<p><b>CLAUSE DELETED</b></p> <p>The Commission does not accept AGN’s proposal that clause 7.3 and 7.4 should be removed on the basis that it represents a duplication of regulatory obligations with</p>

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Clause	AGN proposal	Commission Draft Decision
<p>7.4 Upon request, the licensee must provide the Commission with an accurate description and specification of the distribution system and its components and must promptly update that definition to reflect material changes to the distribution system or gas infrastructure.</p>	<p>(a) details of the licensee's financial, technical and other capacity to continue its operations authorised by this licence; and</p> <p>(b) such other information as the Commission may require.</p> <p>AGN believes that Clause 7.3 and 7.4 are duplications of regulatory obligations.</p> <p>It should be noted that the clauses 7.3 and 7.4 are not contained in the licences of other major entities regulated by ESCOSA, while clause 7.1 is replicated in SA Power Networks, ElectraNet and Enwave.</p>	<p>clause 7.1. Clause 7.1 does not establish a positive obligation on AGN to provide the Commission with information, as required by 7.3 and 7.4.</p> <p>However, the Commission will delete clause 7.3 and 7.4 on the basis that the Energy Industry Guideline 4 – compliance systems and reporting, requires AGN to notify the Commission within 3 business days if it is unfit or unable to continue operations based on its financial, technical or other capacity. This requirement meets the obligations in clause 7.3 and 7.4 and provides a specific timeframe (3 business days).</p>
<p>8.1 The licensee must,</p> <p>(a) prepare a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation and submit the plan to the Commission for approval, including, an Unaccounted for Gas Plan comprised of (without limitation) a:</p> <p>(i) Leakage Management Plan;</p> <p>(ii) Asset Management Plan; and</p> <p>(iii) Mains Replacement Plan;</p>	<p>Clause 8.1 of the licence was based on section 26 of the Gas Act 1997 as in force prior to 17 October 2017. At this time, section 26 of the Gas Act stated:</p> <p>“The Commission must make a licence authorising the operation of a distribution system subject to conditions determined by the Commission-</p> <p>(b) requiring the gas entity–</p> <p>(i) to prepare and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation; and</p> <p>(ii) to obtain <u>the approval of the Commission</u> (which may only be given by the Commission on the recommendation of the Technical Regulator) to the plan and any revision; and</p>	<p align="center"><b>CLAUSE AMENDED</b></p> <p>Clauses amended to meet the requirements of section 26(1)(b) of the Gas Act.</p> <p>8.1 The <b>licensee</b> must:</p> <p>(a) prepare, maintain and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by <b>regulation</b>;</p> <p>(b) obtain the approval of the <b>Technical Regulator</b>:</p> <p>(i) to the plan (prior to the commencement of the operation</p>

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Clause	AGN proposal	Commission Draft Decision
	<p>(iii) to comply with the plan as approved from time to time; and</p> <p>(iv) to audit from time to time the entity's compliance with the plans and report the results of those audits to the Technical Regulator ..."</p> <p>Section 26(b)(ii) above contemplates that the plan would be approved by ESCOSA. Section 26(b)(ii) was amended, effective 17 October 2017, to provide for the Technical Regulator to approve the plan and any proposed revision of the plan (see section 47, Statutes Amendment (Electricity and Gas) Act 2017).</p> <p>Clauses 8.1(a), (b) and (d) of the Distribution Licence should be amended to replace "the Commission" with "the Technical Regulator".</p> <p>Given Section 26(b)(ii) of the Gas Act 1997 and Clause 8.1 (f) of our licence which states:</p> <p>"(f) provide to the Technical Regulator any other reporting information associated with the safety, reliability, maintenance and technical management plan as requested by the Technical Regulator."</p> <p>AGN believes that the points (i), (ii) and (iii) should be removed from the licence as they are duplications of regulatory obligations.</p> <p>It should be noted that other major entities regulated by ESCOSA, such as SA Power Networks, ElectraNet and Enwave are not required to provide Asset Management Plans to the Commission or the Office of the Technical Regulator since the commence of Economic Regulation by the Australian Energy Regulator</p>	<p>of the distribution system to which the plan relates); and</p> <p>(ii) to any revision of the plan;</p> <p>(c) comply with the plan as approved from time to time in accordance with clause 8.1(b);</p> <p>(d) undertake audits of its compliance with the plan from time to time and report the results of those audits to the <b>Technical Regulator</b>, in the form required by the <b>Technical Regulator</b>.</p>

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Clause	AGN proposal	Commission Draft Decision
<p>10 Confidentiality</p> <p>10.1 The <b>licensee</b> must, unless otherwise required or permitted by law, this licence or an <b>industry code</b>:</p> <p>a) comply with any rules determined by the <b>Commission</b> from time to time relating to the use of information acquired by the <b>licensee</b> in the course of operating the business authorised by this licence; and</p> <p>b) ensure that information concerning a <b>customer</b> is not disclosed without the <b>explicit informed consent</b> of the <b>customer</b>.</p> <p>10.2 The <b>licensee</b> must not disclose confidential information to an intelligence or law enforcement agency unless requested to do so by an intelligence or law enforcement agency on the basis that:</p> <p>a) disclosure is necessary under the terms of a warrant issued under Division 2 of the Australian Security Intelligence Organisation Act 1979 or under the terms of any other court order; or</p> <p>b) disclosure is reasonably necessary for the enforcement of the criminal law or of a law imposing a pecuniary penalty or for the protection of the public revenue; or</p>	<p>AGN would like to highlight the requirements of Part 16 of the National Gas Rules which details gas service provider’s requirements for the disclosure of confidential information.</p> <p>Clauses 10.1 and 10.4 of the Licence are unnecessary given Part 16 of the National Gas Rules and clause 15 of the deemed standard connection contract in Schedule 2 of the National Energy Retail Rules.</p> <p>We suggest that clause 10.1 be amended to read:</p> <p>“10.1 The Licensee must comply with its confidentiality obligations under national regulatory instruments.”</p> <p>Suggest the first paragraph of 10.2 should be amended to read:</p> <p>“10.2 For the purposes of the national regulatory instruments, the licensee is authorised to disclose confidential information (including relevant confidential information) to an intelligence or law enforcement agency where:”</p> <p>This will ensure the licence is consistent with rule 137(3)(c)(ii) of the National Gas Rules.</p>	<p><b>CLAUSE AMENDED</b></p> <p>Clause amended to reflect updated confidentiality clause in new licences issued by the Commission.</p> <p>10.1 The <b>licensee</b> must, unless otherwise required by law, this licence, an <b>industry code</b>, or the <b>National Gas Rules</b>, comply with any <b>rules</b> made by the <b>Commission</b> from time to time relating to the use of information acquired by the <b>licensee</b> in the course of operating the business authorised by this licence.</p>

**Gas Distribution Licence – Australian Gas Networks Limited (ACN 078 551 685) as last varied on 15 September 2016**

Clause	AGN proposal	Commission Draft Decision
<p>c) disclosure is necessary to safeguard the national security of Australia.</p> <p>10.3 The <b>licensee</b> may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of clause 10.2(b) and clause 0.</p> <p>10.4 The <b>licensee</b> must ensure that any information received from, or provided to, any related body corporate of the <b>licensee</b> holding a retail licence is only received or provided on non-discriminatory commercial terms.</p>		
<p>Schedule 1 – Definitions</p> <p>AGN highlighted the following for consideration.</p>	<ol style="list-style-type: none"> <li>1. Insert "(SA)" at the end of the "Gas Act 1997" under "Act".</li> <li>2. Remove definition of "AEMO" as there is no reference to it in the licence.</li> <li>3. Amend definition of "Explicit Informed Consent" to refer to the National Energy Retail Law (South Australia) Act 2011. As per the definition in the Enwave Distribution Licence.               <ol style="list-style-type: none"> <li>a. If clause 10.1 is amended as proposed, the definition of "explicit informed consent" will become unnecessary because it is only used in clause 10.1 of the Licence.</li> <li>b. Note that "retailer" is used in "explicit informed consent" (paragraph (b)) but will become unnecessary once "explicit informed consent" is deleted.</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. <b>ACCEPTED.</b></li> <li>2. <b>ACCEPTED.</b></li> <li>3. <b>See (a) and (b) below.</b> <ol style="list-style-type: none"> <li>a. <b>ACCEPTED.</b> Definition removed.</li> <li>b. <b>ACCEPTED.</b> Definition removed.</li> </ol> </li> </ol>

Gas Distribution Licence – Australian Gas Networks Limited (ACN 078 551 685) as last varied on 15 September 2016

Clause	AGN proposal	Commission Draft Decision
	4. Remove definition of "Gas Distribution Code" as there is no reference to this in the licence.	4. ACCEPTED.
	5. Remove definition of "Gas Metering Code" as there is no reference to it in the licence.	5. ACCEPTED.
	6. Remove definition of "retailer" as there is no reference to them in the licence.	6. ACCEPTED.
	7. Remove definition of "retail market procedures" as there is no reference to them in the licence.	7. ACCEPTED.
	8. Remove definition of "small customer" as there is no reference to them in the licence.	8. ACCEPTED.

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
1.6 Powers under Acts  1.6.1 Nothing in this industry code prevents the <b>distributor</b> exercising any power, or obligation to comply with any direction, order or requirement under the <i>Gas Act 1997, Essential Services Act 1981, State Disaster Act 1980</i> or the <i>State Emergency Service Act 1987</i> , or any other relevant legislation.	The State Disaster Act 1980 [ceased] was repealed by Sch 1 cl 6 of Emergency Management Act 2004 on 25.11.2004.  The reference to the State Disaster Act 1980 should be replaced with a reference to the Emergency Management Act 2004.  The State Emergency Service Act 1987 [ceased] was repealed by Sch 6 cl 13(c) of Fire and Emergency Services Act 2005 on 1.10.2005.	ACCEPTED

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
	<p>The reference to the State Emergency Service Act 1987 should be replaced with a reference to the Fire and Emergency Services Act 2005.</p>	
<p>1.7 Reporting to the Commission</p> <p>1.7.3 its compliance with the service standards set out in this clause 1.7 or under its <b>connection and supply contracts</b>;</p> <p>(a) an explanation of the reason for any non-compliance; and</p> <p>(b) a report on how the <b>distributor</b> will improve its performance so as to meet the service standards set out in this clause 1.7 or its <b>connection and supply contracts</b>.</p>	<p>Clause 7.1 of the distribution licence provides that AGN must, from time to time, provide the Commission, in the manner and form determined by the Commission:</p> <p>(a) details of the licensee's financial, technical and other capacity to continue its operations authorised by this licence; and</p> <p>(b) such other information as the Commission may require.</p> <p>The Gas Industry Guideline No. 1 provides for the collection, allocation, recording and reporting of business data by AGN with respect to the operation of the distribution system authorised in its distribution licence issued under the Gas Act 1997.</p> <p>We believe this clause is a duplication of regulatory requirements made under other regulatory instruments and as such should be removed.</p>	<p><b>NOT ACCEPTED</b></p> <p>Clause 1.2.6 of the Gas Industry Guideline No.1 does not impose any reporting requirements, but merely refers back to clause 1.7 of the Gas Distribution Code.</p> <p>No duplication with clause 7.1 of AGN's gas distribution licence, which does not specify what information needs to be provided – this is done through clause 1.7 of the Gas Distribution Code.</p>
<p>2.1.1 In operating the distribution system, the distributor must:</p> <p>(a) establish and document (in its safety, reliability, maintenance and technical management plan required under the Gas Act 1997), operational and system security standards for its <b>distribution system</b> and for all <b>connections</b> and proposed <b>connections</b> to its <b>distribution system</b>;</p>	<p>This clause duplicates the requirements of section 26 of the Gas Act 1997 and clause 8.1(b) of the Gas Distribution Licence.</p> <p>We believe this clause should be removed.</p>	<p><b>CLAUSE AMENDED</b></p> <p>Amendment removes requirements not prescribed by regulation, and replaces with a high level requirement to comply with the SRMTMP as approved by the Technical Regulator.</p> <p>See below box for amended clause.</p>

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
<p>2.1.1 In operating the <i>distribution system</i>, the <i>distributor</i> must:</p> <p>(b) maintain the delivery pressure of <i>gas</i> from the <i>distribution system</i> to ensure that:</p> <p>(i) the operating pressure of the <i>gas</i> at the outlet of each meter set for recording a <i>customer's</i> consumption of <i>gas</i> is:</p> <p>(A) 1kPa or more but less than 3kPa for low pressure mains; or</p> <p>(B) 2.75kPa but less than 3.25 kPa for medium or high pressure mains;</p>	<p>We believe this clause is a duplicate of the Gas Regulation 2012 (SA) (Regulation) clause 38 (c) which states:</p> <p>c) the gas must be supplied so that—</p> <p>(i) the operating pressure of the gas at the outlet of each meter set for recording a customer's consumption of gas is 1kPa or more but less than 3kPa subject to any written requirement of the customer or agreement between the Technical Regulator and the operator for gas to be supplied at more than 3kPa; and</p> <p>(ii) the pressure of the gas at each such meter set is within the meter set manufacturer's designated pressure operating range.</p>	<p><b>CLAUSE AMENDED</b></p> <p>Amendment:</p> <ul style="list-style-type: none"> <li>Removes inconsistency with Regulations by requiring the operating pressure of all gas mains be maintained between 1kpa and 3kpa.</li> <li>Provides a best endeavours requirement for a subset of consumer mains, for the purposes of <b>customer protection</b> (remaining within the regulated 1kpa and 3kpa range).</li> <li>Better reflects the wording of regulation 38 of the Gas Regulations 2012 (SA).</li> <li>Definitions of high and medium pressure mains added to the Code.</li> </ul> <p>The amended clause:</p> <p>In operating the distribution system, the distributor must:</p> <p>(a) comply with the safety, reliability, maintenance and technical management plan as approved from time to time by the Technical Regulator; and for all <b>connections</b> and proposed <b>connections</b> to its <b>distribution system</b>;</p>

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
		<p>(b) ensure that at all times the gas is supplied so that:</p> <ul style="list-style-type: none"> <li>(i) the operating pressure of the <b>gas</b> at the outlet of each meter set for recording a <b>customer's</b> consumption of <b>gas</b> is 1kPa or more but less than 3kPa for all mains (subject to any written requirement of the <b>customer</b> or agreement between the <b>Technical Regulator</b> and the <b>distributor</b> for <b>gas</b> to be supplied at more than 3kPa),and</li> <li>(ii) the pressure of the <b>gas</b> at each such meter set is within the meter set manufacturer's designated pressure operating range;</li> </ul> <p>(c) use its <b>best endeavours</b> to ensure that at all times the gas is supplied so that:</p> <ul style="list-style-type: none"> <li>(i) the operating pressure of the gas at the outlet of each meter set for recording a <b>customer's</b> consumption of <b>gas</b> is: between 2.75kPa and 3kPa for <b>medium pressure mains</b> and <b>high pressure mains</b> (subject to any written requirement of the customer or agreement between the <b>Technical</b></li> </ul>

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
		<p><i>Regulator</i> and the <i>distributor</i> for <i>gas</i> to be supplied at more than 3kPa); and</p> <p>(ii) the pressure of the <i>gas</i> at each such meter set is within the meter set manufacturer's designated pressure operating range</p>
<p>2.1.1 (C) subject to any written requirement of the <i>customer</i> or agreement between the <i>Technical Regulator</i> and the <i>distributor</i> for <i>gas</i> to be supplied at more than 3kPa; and</p> <p>(ii) the pressure of the <i>gas</i> at each such meter set is within the meter set manufacturer's designated pressure operating range;</p>	<p>We believe this clause is a duplication of regulatory requirements made under other regulatory instruments and as such should be removed.</p> <p>AGN notes that the Regulation does not included the subclause (b) "2.75kPa but less than 3.25kPa for medium or high pressure mains".</p> <p>The Commission and the Office of the Technical Regulatory approved AGN Safety, Reliability, Maintain Technical Management Plan (SRMTMP) states:</p> <p>Section 4.4.3 Connection Process:</p> <p>"For new connections to houses where the distribution network operates at medium or high pressure, the connections will be supplied with gas regulated at 2.75kPa"</p> <p>"For existing gas-connected homes where the gas load requirement equals or exceeds 500 MJ/hr and the distribution network operates at medium or high pressure, then by mutual agreement, and subject to the existing gas outlet service being constructed of either copper tube or an approved</p>	<p><b>NOT ACCEPTED.</b></p> <p>The Gas Distribution Code reflects the language and requirement under the Gas Regulations. An amendment to the Gas Regulations 2012 would be required to address AGN's proposal to remove the requirement to maintain gas delivery pressure. The subclauses do duplicate regulatory requirements but also provide additional 'best endeavours' requirements on AGN. These clause have been retained after consultation with the Technical Regulator, for the purposes of customer protection.</p> <p>The Gas Regulations 2012 section 38(1) requires that "A <i>distribution system operator</i> <b>must</b> ensure that the following requirements are complied with in relation to gas distributed by the system:</p>

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
	<p>composite pipe, the gas pressure may be increased to a regulated pressure of 2.75kPa.</p> <p>Clause 38 (c) (i) of the Regulation allows for an “agreement between the Technical Regulator and the operator”. We believe that as the SRMTMP has been approved by the Technical Regulator it could be considered that there is an agreement in place. We are happy to seek a separate formal agreement with the Technical Regulator if required.</p> <p>It should also be noted that clause 2.1.1(b) of the Regulation does not permit AGN to do something contrary to clause 38(1)(c) of the Gas Regulations.</p> <p>In addition we have concerns with the language of “must maintain the delivery pressure of gas”. The intent of the Regulation relates to the supply of gas to a connection not that there must be a flow of gas at all times. Our network is extremely reliable, although we cannot prevent all loss of supply events for example third party damages.</p> <p>If the Commission will not remove the Clause 2.1.1 (b) we request that the clause be moved to Clause 2.1.1 (e) the clause would then read as follows:</p> <p>(e) use its best endeavours to achieve:</p> <p>(i) the operating pressure of the gas at the outlet of each meter set for recording a customer’s consumption of gas is:</p> <p>(A) 1kPa or more but less than 3kPa for low pressure mains; or</p> <p>(B) 2.75kPa but less than 3.25 kPa for medium or high pressure mains;</p>	<p>...(c) the gas <b><i>must be supplied so that</i></b>—</p> <p>(i) the operating pressure of the <b>gas</b> at the outlet of each <b>meter</b> set for recording a customer’s consumption of <b>gas</b> is 1kPa or more but less than 3kPa subject to any written requirement of the <b>customer</b> or agreement between the <b>Technical Regulator</b> and the operator for <b>gas</b> to be supplied at more than 3kPa;</p>

Gas Distribution Code (GDC/06) as last varied 5 September 2013

Clause	AGN proposal	Commission Draft Decision
	<p>(C) subject to any written requirement of the customer or agreement between the Technical Regulator and the distributor for gas to be supplied at more than 3kPa; and</p> <p>(ii) the pressure of the gas at each such meter set is within the meter set manufacturer's designated pressure operating range;</p> <p>This would align the language use with other ESCOSA regulated entities of SA Power Networks and ElectraNet which have "best endeavour" obligations relating to supply and interruptions and clause 2.2.1 of the Code which requires "The distributor must use best endeavours to maintain the capability of its distribution system"</p>	
<p>Schedule 1 - Definitions</p> <p>AGN highlighted two matters for consideration.</p>	<ol style="list-style-type: none"> <li>1. Insert "(SA)" at the end of the "Gas Act 1997" under "Act".</li> <li>2. Update proposed definitions of high and medium gas mains to reflect definitions in AGN's 2019 - 2020 Safety, reliability and maintenance technical management plan (SRMTMP).</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>ACCEPTED</b> – clarification.</li> <li>2. <b>NOT ACCEPTED</b> – AGN's 2019-20 SRMTMP not yet approved by the Technical Regulator. Confirmation of approval will be sought prior to Final Decision.</li> </ol>

Gas Metering Code (GMC/04) as last varied 7 February 2013

Clause	AGN proposal	Commission Draft Decision
<p>2.1 Obligation to install meters</p> <p>2.1.1 Where a <i>metering installation</i> is not provided at a <i>delivery point</i> that supplies a gaslight, at 1 January 2004, the <i>distributor</i> is not required to provide a <i>metering installation</i>.</p>	<p>Delete sub-paragraph. This clause was designed to cover gas lights, which traditionally were not metered. There are few gaslights in existence in South Australia. Those which do exist are connected to a meter, and all new connections are metered.</p>	<p><b>ACCEPTED</b></p> <p>Accepted on the basis that AGN is required to meter all new connections.</p>
<p>3.3 Obligation to test metering installations</p> <p>3.3.4 The <i>distributor</i> must publish charges for the testing of metering installations. The charges must be fair and reasonable.</p>	<p>Delete sub-paragraph. The National Gas Rules details the requirement to publish (and the determination of) Reference Services.</p> <p>Meter and Gas Installation Test is a Reference Service under the AGN Access Arrangement.</p>	<p><b>ACCEPTED</b></p> <p>Accepted on the basis that the AER regulates Reference Services (including the associated charge and the publication of those charges), and Meter and Gas Installation Testing is a Reference Service.</p>
<p>4.2 Meter reading for customer transfer</p> <p>4.2.2 Where a <i>basic meter</i> is installed, the final meter reading prior to a <i>customer</i> transferring to a new <i>retailer</i>, whether a <i>scheduled meter reading</i> or a <i>special meter reading</i>, must be forwarded to the new <i>retailer</i> by the <i>distributor</i> in accordance with clause 4.7.4 or clause 4.7.5, respectively.</p>	<p>Delete sub-paragraph. Duplicate obligation with clause 158(1)(a) of the South Australian Retail Market Procedures (in relation to actual and special meter reads) and clause 157(3)(a)(ii) (for substitute meter reads).</p> <p>Note clause 157(3)(a)(ii) requires "prompt" notice, which is defined in clause 11(2) as "close of business on the next business day."</p>	<p><b>ACCEPTED</b></p> <p>This requirement is duplicated under the South Australian Retail Market Procedures.</p>
<p>4.6 Storage of metering data</p> <p>4.6.1 The <i>distributor</i> must store <i>metering data</i> in respect of separate <i>metering installations</i>, in the</p>	<p>Delete section. Clause 168 of the South Australian Retail Market Procedures details the network operator's requirement for storage of network data.</p>	<p><b>ACCEPTED</b></p> <p>Clause 168 of the South Australian Retail Market Procedures duplicates the requirements under clause 4.6 of the Gas Metering Code, and places greater record</p>

Gas Metering Code (GMC/04) as last varied 7 February 2013

Clause	AGN proposal	Commission Draft Decision
<p>form in which it was collected under clause 4.3:</p> <p>(a) in an accessible format for a minimum period of 16 months from the date of the <i>meter</i> reading; and</p> <p>(b) in archive for 7 years from the date of the <i>meter</i> reading.</p>		<p>keeping obligations on AGN for metering data.</p>
<p>4.7 Access to metering data</p> <p>4.7.1 The <i>distributor</i> must give a <i>retailer's customer</i> access to data stored in a <i>metering installation</i> used to measure and record the amount of <i>gas</i> supplied to its <i>delivery point</i>, either by inspecting the <i>metering installation</i> or, where available, by electronic access to the <i>metering installation</i>.</p> <p>4.7.2 Where data is available by electronic means, the <i>distributor</i> must, on written request from a <i>customer's retailer</i>, provide facilities to enable the <i>customer</i> to access data stored in a <i>metering installation</i> where it is available by electronic means.</p> <p>4.7.3 Where the <i>distributor</i> has provided facilities to enable the <i>retailer's customer</i> to access data stored in a <i>metering installation</i> by remote electronic means, if remote electronic access to the <i>metering installation</i> is unavailable for a period of 5 consecutive <i>business days</i> due to</p>	<p>Delete section.</p> <p>Part 4.4 of the Retail Market Procedures details metering data requirements.</p> <p>Delete clause 4.7.1.</p> <p>This is a duplication of Clause 86B of the National Energy Retail Rules (NERR);</p> <p>86B Provision of information - supply of gas</p> <p>(1) In the case of supply of gas, a distributor must, on request by a customer or a customer's retailer, provide information about the customer's energy consumption or the distributor's charges, but information requested more than once in any 12 month period may be provided subject to a reasonable charge.</p> <p>Delete clauses 4.7.4 and 4.7.5 of the Code as the requirements are duplicated in clause 158 of the SA Retail Market Procedures and, in some</p>	<p><b>NOT ACCEPTED</b></p> <p>The Gas Metering Code provides greater consumer protections than the Retail Market Procedures in the first three subclauses of this section. The remaining subclauses of this section are addressed below.</p> <p><b>ACCEPTED</b></p> <p>Deletion of subclause 4.7.1. The NERR addresses the information in clause 4.7.1 of the Gas Metering Code and there is unnecessary duplication.</p> <p><b>ACCEPTED</b></p> <p>Deletion of subclause 4.7.4 and 4.7.5.</p>

Gas Metering Code (GMC/04) as last varied 7 February 2013

Clause	AGN proposal	Commission Draft Decision
<p>the actions within the control of the <i>distributor</i>, the <i>distributor</i> must, if requested by the <i>retailer's customer</i>, obtain data locally from the <i>metering installation</i> and provide that data to the <i>retailer's customer</i> at the <i>distributor's</i> cost.</p> <p>4.7.4 The <i>distributor</i> must ensure that access is provided for the <i>retailer</i> to <i>metering data</i> (whether actual, substituted under clause 4.4 or estimated under clause 4.5), at the frequency agreed, by 5.00 pm on the first <i>business day</i> after that <i>metering data</i> has been collected.</p> <p>4.7.5 The <i>distributor</i> must ensure that access is provided for the <i>retailer</i> to <i>metering data</i> from <i>special meter reads</i> and final meter reads, by 5.00 pm or the first <i>business day</i> after that <i>metering data</i> has been collected.</p> <p>4.7.6 Where access is provided for the <i>retailer</i> to <i>metering data</i> under clauses 4.7.4 and 4.7.5, the <i>distributor</i> must ensure that any additional data required by the <i>retailer</i> to meet its obligations under the <i>National Energy Retail Law</i> is also provided.</p>	<p>respects, appear inconsistent with the requirements of the SA Retail Market Procedures.</p> <p>Delete clause 4.7.6 of the Code as the requirements are duplicated in rule 94(2) of the National Energy Retail Rules. Rule 94(2) requires a distributor to provide a retailer with any information the retailer reasonably requires to carry out its obligations under the NERL and other regulatory instruments.</p>	<p><b>ADDITION OF NEW CLAUSE:</b></p> <p>4.6.3 When providing data required under clauses 4.6.1 (4.7.2) and 4.6.2 (4.7.3), this data must be provided within the timeframes required for the provision of this data contained in the <i>Retail Market Procedures</i>.</p> <p><b>CLAUSE AMENDED</b></p> <p>Clause 4.6.4 (4.7.6) amended to require NERL timeframes to be met for additional data.</p> <p>4.6.4 Where access is provided for the <i>retailer</i> to <i>metering data</i>, the <i>distributor</i> must ensure that any additional data required by the <i>retailer</i> to meet its obligations under the <i>National Energy Retail Law</i> is also provided and that any timeframes for the provision of this additional data imposed under the <i>National Energy Retail Law</i> are complied with.</p>
<p>4.8 Confidentiality</p>	<p>Delete section. Part 16 of the National Gas Rules details gas service provider's requirements for the disclosure of confidential information.</p>	<p><b>NOT ACCEPTED</b></p> <p>The Gas Metering Code provides additional protections not included in Part 16 of the National Gas Rules.</p>

Gas Metering Code (GMC/04) as last varied 7 February 2013

Clause	AGN proposal	Commission Draft Decision
<p>6 Definitions - AGN would like to highlight the following matters for consideration.</p>	<ol style="list-style-type: none"> <li>1. Amend the definition for "estimated read" to clause 156 of the Retail Market Procedures.</li> <li>2. Amend the definition for "basic meter" to the definition in the Retail Market Procedures.</li> <li>3. Amend the definition for "customer" to the definition in the Retail Market Procedures.</li> <li>4. Amend the definition for "interval meter" to the definition in the Retail Market Procedures.</li> <li>5. Amend the definition for "meter" to the definition in the Retail Market Procedures.</li> <li>6. Amend the definition for "MIRN" to the definition in the Retail Market Procedures.</li> <li>7. Amend the definition for "related body corporate" as the Corporation Act is 2001 and not 2000.</li> <li>8. Amend the definition for "scheduled meter reading" to the definition in the Retail Market Procedures.</li> <li>9. Amend the definition for "special meter reading" to the definition in the Retail Market Procedures.</li> <li>10. Delete definition of "supply address" as it does not appear to be used in the Code.</li> <li>11. Amend the definition for "telemetry" to the definition in the Retail Market Procedures. Most of the technology referred to in this definition is no</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>AMENDED.</b> Estimated value added as a defined term. Definition of estimated read amended.</li> <li>2. <b>ACCEPTED</b></li> <li>3. <b>NOT ACCEPTED.</b> Definition as contained in the Gas Act required.</li> <li>4. <b>ACCEPTED</b></li> <li>5. <b>ACCEPTED</b></li> <li>6. <b>ACCEPTED</b></li> <li>7. <b>ACCEPTED</b></li> <li>8. <b>NOT ACCEPTED</b> Minor amendment to improve consistency</li> <li>9. <b>NOT ACCEPTED</b> Minor amendment to improve consistency.</li> <li>10. <b>ACCEPTED</b></li> <li>11. <b>ACCEPTED.</b></li> </ol>

Gas Metering Code (GMC/04) as last varied 7 February 2013

Clause	AGN proposal	Commission Draft Decision
	longer used in Australia or if being phased out. We believe it is best practice for the definition to be technology neutral.	<p>Clause amended to be technology neutral but not to the definition in the retail market procedures.</p> <p>Amended definition:  <b>"telemetry"</b> means the process of using special equipment to send, receive and measure data collected from a <b>metering installation</b> over distances.</p>

Guideline No 1 – Gas Industry Guideline No.1 as last varied July 2016

Clause	AGN proposal	Commission Draft Decision
1.2.4 Clause 7.4 of the <b>distribution licence</b> requires AGN to provide the <b>Commission</b> with an accurate description and specification of the <b>distribution system</b> and its components and must promptly update that definition to reflect material changes to the <b>distribution system</b> or gas infrastructure.	Delete this clause as we have proposed to delete clause 7.4 from the Distribution Licence.	<b>ACCEPTED</b>
3.4 "Proforma OP 1. – Responsiveness to public reporting of gas leaks"	This should be amended to: "Proforma OP 2. – Responsiveness to public reporting of gas leaks"	<b>ACCEPTED</b>
3.5 "Proforma OP 2. – Customer interruptions"	This should be amended to: "Proforma OP 3. – Customer interruptions"	<b>ACCEPTED</b>

Guideline No 1 – Gas Industry Guideline No.1 as last varied July 2016

Clause	AGN proposal	Commission Draft Decision
3.6 "Proforma OP 3. – Statistical information"	This should be amended to: "Proforma OP 4. – Statistical information"	<b>ACCEPTED</b>
3.7 "Proforma OP 4. – Responsibility statement"	This should be amended to: "Proforma OP 5. – Responsibility statement"	<b>ACCEPTED</b>
Schedule 1 - Definitions	<ol style="list-style-type: none"> <li>1. Amend the definition for "<b>customer</b>" to the definition in the Retail Market Procedures.</li> <li>2. Amend the definition for "<b>Gas</b>" to the definition in the Gas Metering Code.</li> <li>3. Remove definitions for <i>delivery point</i>, <i>gas installation</i> and <i>receipt point</i> as they are not referred to in the Guideline.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>NOT ACCEPTED</b> Definition as per Gas Act required.</li> <li>2. <b>ACCEPTED</b> Amended to reflect definition contained in the Gas Act.</li> <li>3. <b>ACCEPTED</b> Redundant definitions.</li> </ol>

# Appendix 3: AGN’s Gas Distribution Licence

 Gas  
**Licence**

## Gas Distribution Licence

Australian Gas Networks Limited  
ACN 078 551 685

Issued by the Technical Regulator on 16 September 1998.  
Last varied by the Essential Services Commission on [xx xx 2020](#).

## Appendix 3: AGN's Gas Distribution Licence

### Variation history

Amendment number	Variation date	Reason
ESCOSA01	8/3/2004	
ESCOSA02	1/1/2005	
ESCOSA03	6/7/2006	
ESCOSA04	28/6/2007	
ESCOSA05	7/11/2007	
ESCOSA06	17/9/2010	
ESCOSA07	28/8/2013	
ESCOSA08	16/12/2014	
ESCOSA09	15/09/2016	
<a href="#">ESCOSA10</a>	<a href="#">XX/XX/2020</a>	<a href="#">Licence varied to reflect amendments to the Act and update outdated references.</a>

DRAFT FOR CONSULTATION

# Appendix 3: AGN's Gas Distribution Licence

## 1 Definitions and interpretation

- 1.1 Words appearing in bold like **this** are defined in Schedule 1.
- 1.2 This licence must be interpreted in accordance with the rules set out in Schedule 2.

## 2 Grant of licence

- 2.1 The **licensee** is licensed under Part 3 of the **Act** to carry on the operation of the **distribution system**, as specified in schedule 3, subject to the terms and conditions set out in this licence.

## 3 Term

- 3.1 This licence continues until:
  - (a) it is surrendered by the **licensee** under section 31 of the **Act**; or
  - (b) it is suspended or cancelled by the **Commission** under section 38 of the **Gas Act**.

## 4 Compliance with applicable regulatory instruments

- 4.1 The **licensee** must comply with all **applicable regulatory instruments**, including any technical or safety requirements under the **Act** and the Natural Gas (South Australia) Act 2008.
- 4.2 The **licensee** must:
  - (a) monitor and report to the **Commission** on its levels of compliance with **local regulatory instruments** in accordance with the requirements of any applicable guideline issued by the **Commission**; and
  - (b) notify the **Commission** if it commits a material breach of any **local regulatory instrument** within 3 days of becoming aware of that breach.

- 4.3 The **licensee** must notify the **Commission** if it commits a material breach of any **national regulatory instrument** in accordance with the requirements of any applicable guideline issued by the **Commission**.

## 5 Compliance with good gas industry practice

- 5.1 The **licensee** must use its **best endeavours** to conduct the operations authorised by this licence in accordance with **good gas industry practice** including, but not limited to, conducting the operations so as to:
  - (a) prevent death or injury to, persons or damage to property;
  - (b) minimise leakage of gas; and
  - (c) account for the total amount of gas lost from the **distribution system** as a result of leakage or an activity referred to in section 82(1) of the **Act**.

# Appendix 3: AGN's Gas Distribution Licence

## 6 Audits

- 6.1 The **licensee** must undertake periodic audits of the operations authorised by this licence and of its compliance with its obligations under this licence and any applicable **industry codes** in accordance with the requirements of any applicable **guideline** issued by the **Commission** for this purpose.
- 6.2 The **Commission** may require the costs of conducting audits under this clause 6 to be met by the **licensee**.

## 7 Information to the Commission

- 7.1 The **licensee** must, from time to time as required by the **Commission** and in a manner and form determined by the **Commission**, provide to the **Commission**:
- (a) details of the **licensee's** financial, technical and other capacity to continue its operations authorised by this licence; and
  - (b) such other information as the **Commission** may require.
- 7.2 The **licensee** must notify the **Commission** of any changes to its officers or major shareholders (if applicable) within ~~20-30 business~~ days of that change.
- ~~7.3 The licensee must promptly notify the Commission of any significant reduction in its financial capacity which has potential to impact upon the licensee's ability to carry on the operations authorised by this licence.~~
- ~~7.4 Upon request, the licensee must provide the Commission with an accurate description and specification of the **distribution system** and its components and must promptly update that definition to reflect material changes to the **distribution system** or **gas infrastructure**.~~

## 8 Safety, reliability, maintenance and technical management plan

- ~~8.1 The licensee must,~~
- ~~(a) prepare a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation and submit the plan to the Commission for approval, including, an Unaccounted for Gas Plan comprised of (without limitation) a:
    - ~~(i) Leakage Management Plan;~~
    - ~~(ii) Asset Management Plan; and~~
    - ~~(iii) Mains Replacement Plan;~~~~
  - ~~(b) annually review and, if necessary, update the plan to ensure its efficient operation, and submit the updated plan to the Commission for approval;~~
  - ~~(c) comply with the plan prepared in accordance with clause 8.1(a) and as updated from time to time in accordance with clause 8.1(b);~~
  - ~~(d) not amend the plan without the approval of the Commission; and~~

# Appendix 3: AGN's Gas Distribution Licence

- (e) undertake annual audits of its compliance with its obligations under the plan and report the results to the **Technical Regulator**, in a manner approved by the **Technical Regulator**; and
- (f) provide to the **Technical Regulator** any other reporting information associated with the safety, reliability, maintenance and technical management plan as requested by the **Technical Regulator**.

## 8.1 The licensee must:

- (a) prepare, maintain and periodically revise a safety, reliability, maintenance and technical management plan dealing with matters prescribed by regulation;
- (b) obtain the approval of the **Technical Regulator**:
  - (i) to the plan (prior to the commencement of the operation of the distribution system to which the plan relates); and
  - (ii) to any revision of the plan;
- (c) comply with the plan as approved from time to time in accordance with clause 8.1(b);
- (d) undertake audits of its compliance with the plan from time to time and report the results of those audits to the **Technical Regulator**, in the form required by the **Technical Regulator**.

## 9 Customer concessions and community service obligations

- 9.1 The licensee must comply with the requirements of any scheme approved and funded by the Minister for the provision by the State of customer concessions or the performance of community service obligations by the licensee.

## 10 Confidentiality

10.1 The licensee must, unless otherwise required by law, this licence, an industry code, or the **National Gas Rules**, comply with any rules made by the **Commission** from time to time relating to the use of information acquired by the licensee in the course of operating the business authorised by this licence.

10.1 The licensee must, unless otherwise required or permitted by law, this licence or an industry code:

- (a) comply with any rules determined by the **Commission** from time to time relating to the use of information acquired by the licensee in the course of operating the business authorised by this licence; and
- (b) ensure that information concerning a customer is not disclosed without the explicit informed consent of the customer.

10.2 The licensee must not disclose confidential information to an intelligence or law enforcement agency unless requested to do so by an intelligence or law enforcement agency on the basis that:

## Appendix 3: AGN's Gas Distribution Licence

- ~~(a) disclosure is necessary under the terms of a warrant issued under Division 2 of the Australian Security Intelligence Organisation Act 1979 or under the terms of any other court order; or~~
- ~~(c) disclosure is reasonably necessary for the enforcement of the criminal law or of a law imposing a pecuniary penalty or for the protection of the public revenue; or~~
- ~~(d) disclosure is necessary to safeguard the national security of Australia.~~

~~13.0 The licensee may accept an assertion of an intelligence or law enforcement agency, without making further enquiry, for the purposes of clause 10.2(b) and clause 10.2(c).~~

~~14.0 The licensee must ensure that any information received from, or provided to, any related body corporate of the licensee holding a retail licence is only received or provided on non-discriminatory commercial terms.~~

### ~~15~~11 Variation

~~15.1~~11.1 This licence may only be varied in accordance with section 29 of the **Gas Act**.

### ~~16~~12 Transfer

~~16.1~~12.1 This licence may only be transferred in accordance with section 30 of the **Gas Act**.

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# Appendix 3: AGN's Gas Distribution Licence



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This licence was issued by the **Technical Regulator** on 16 September 1998 and varied by the **Commission** on ~~15 September 2016~~ XX XX 2020.

|

The **COMMON SEAL** of the )  
**ESSENTIAL SERVICES** )  
**COMMISSION** of South )  
Australia was hereunto )  
affixed by authority of the )  
**ESSENTIAL SERVICES** )  
**COMMISSION** and in the )  
presence of: )

.....

Commissioner

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.....

Date

# Appendix 3: AGN's Gas Distribution Licence

## Schedule 1 - Definitions

In this licence:

**Act** means the Gas Act 1997 (SA);

**AEMO** means the Australian Energy Market Operator Limited (ACN 072 010 327)

**applicable regulatory instruments** means any **local regulatory instrument** or **national regulatory instrument**;

**best endeavours** means to act in good faith and use all reasonable efforts, skill and resources;

**business day** means a day other than a Saturday, Sunday or public holiday in South Australia;

**Commission** means the Essential Services Commission established under the **ESC Act**;

**customer** has the meaning given to that term in the **Act**, namely a person who has a supply of gas available from a system for consumption by that person, and includes:

- (a) the occupier for the time being of a place to which gas is supplied by a distribution system; and
- (b) where the context requires, a person seeking a supply of gas from a distribution system; and
- (c) a person of a class declared by regulation to be customers.

**distribution system** has the meaning given to that term in the **Act**;

**ESC Act** means the Essential Services Commission Act 2002 (SA);

**Explicit informed consent** is the consent provided by a **customer** where:

- ~~(a) the customer provides express conscious agreement;~~
- ~~(b) the relevant retailer has fully and adequately disclosed all matters relevant to that customer, including each specific purpose for which the consent will be used;~~
- ~~— all disclosures referred to in clause (b) are truthful and have been provided in plain language appropriate to that customer;~~

**Gas Distribution Code** means the **industry code** of that name made by the **Commission** under section 28 of the **ESC Act**;

**gas infrastructure** means any part of the **distribution system**;

**Gas Metering Code** means the **industry code** of that name made by the **Commission** under section 28 of the **ESC Act**;

**good gas industry practice** means the exercise of that degree of skill, diligence, prudence and foresight that reasonably would be expected from a significant proportion of operators of gas distribution systems forming part of the Australian gas supply industry under conditions comparable to those applicable to the **distribution system** operated by the **licensee** consistent with **applicable regulatory instruments**, reliability, safety and environmental factors;

**guideline** means any guideline issued by the **Commission** under section 8 of the **ESC Act**;

**industry code** includes any **industry code** made by the **Commission** under section 28 of the **ESC Act**;

**industry rule** includes any **industry rule** made by the **Commission** under section 28 of the **ESC Act**;

## Appendix 3: AGN's Gas Distribution Licence

**licensee** means Australian Gas Networks Limited (ACN 078 551 685);

**local regulatory instrument** means:

- (a) any Act or statutory instrument made under an Act which imposes obligations on the **licensee** in respect of the operations authorised by this licence and which is administered by the **Commission**; and
- (b) any **industry code, industry rule, guideline** or other regulatory instrument made by the **Commission**;

**National Gas Rules** means the rules made under the *National Gas (South Australia) Act 2008*;

**national regulatory instrument** means any Act or statutory instrument made under an Act which imposes obligations on the **licensee** in respect of the operations authorised by this licence but which is not administered by the **Commission**; ~~and~~

**Retail market procedures** means the rules administered and published by **AEMO**;

**retailer** means a person holding a licence under the National Energy Retail Law for the sale and supply of gas;

**small customer** has the same meaning as is given to that term in the **Act**;

**Technical Regulator** means the person holding the office of the Technical Regulator under the **Act**.

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# Appendix 3: AGN's Gas Distribution Licence

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## Schedule 2 - Interpretation

In this licence, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this licence;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (f) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- (h) an event which is required under this code to occur on or by a stipulated day which is not a **business day** may occur on or by the next **business day**.

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## Appendix 3: AGN's Gas Distribution Licence



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### Schedule 3 - Licensed operations

- (a) The **distribution system** used by the **licensee** to carry on the business of transporting natural gas at the commencement of this licence (in as far as that system constitutes a **distribution system** for the purposes of the **Act**); and
- (b) Any extension to that **distribution system**; and
- (c) A new **distribution system** (that does not extend from that system) approved by the **Commission**.

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# Appendix 3: AGN’s Gas Distribution Licence



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# Appendix 4: Gas Distribution Code



 Gas  
**Code**



## Gas Distribution Code

Version: [GDC/0607](#)

~~September 2013~~ [XXXX 2020](#)



Public – I2 – A2

# Appendix 4: Gas Distribution Code

## Enquiries concerning this Code should be addressed to:

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GPO Box 2605  
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## Amendment record

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GDC/01	08/03/2004	
GDC/02	06/07/2006	
GDC/03	01/07/2011	
GDC/04	01/07/2011	
GDC/05	07/02/2013	
GDC/06	05/09/2013	
<a href="#">GDC/07</a>	<a href="#">XX/XX/2020</a>	

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, please visit [www.escosa.sa.gov.au](http://www.escosa.sa.gov.au)

# Appendix 4: Gas Distribution Code



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# Appendix 4: Gas Distribution Code

## 1 Preliminary

### 1.1 Title

- 1.1.1 This Industry Code is the *Gas Distribution Code*.
- 1.1.2 This industry code must be interpreted in accordance with the rules set out in Schedule 2 of this *Gas Distribution Code*.

### 1.2 Authority

- 1.2.1 This *Gas Distribution Code* is made as an industry code pursuant to the powers of the *Commission* under section 28 of the *Essential Services Commission Act 2002*.

### 1.3 Definitions and interpretation

- 1.3.1 Words appearing in bold like **this** are defined in Schedule 1 of this *Gas Distribution Code*.

### 1.4 Application

- 1.4.1 This *Gas Distribution Code* contains provisions relating to the operation of the *distribution system*.
- 1.4.2 The persons bound by this industry code are *retailers* and *distributors*.

### 1.5 Other Acts, codes and guidelines

- 1.5.1 Not all aspects of the *retailer's* and *distributor's* obligations are regulated by this *Gas Distribution Code*. The *retailer's* and *distributor's* obligations, and some aspects of the relationship with a *customer*, are also affected by:
  - (a) Acts of Parliament and Regulations (in particular, the *Gas Act 1997*, the *National Gas (South Australia) Act 2008* and the *Essential Services Commission Act 2002* (and associated regulations));
  - (b) the *National Gas Law* and *National Gas Rules*;
  - (c) the *National Energy Retail Law*, *National Energy Retail Regulations* and *National Energy Retail Rules*;
  - (d) the *distributor's Access Arrangement*;
  - (e) the distribution licence held by the *distributor*;
  - (f) industry codes and any *guidelines* or rules made by the *Commission* from time to time;
  - (g) the *retail market procedures*; and
  - (h) the terms of an agreement in place between a *retailer* and a *distributor*.

## Appendix 4: Gas Distribution Code

### 1.6 Powers under Acts

- 1.6.1 Nothing in this industry code prevents the *distributor* exercising any power, or obligation to comply with any direction, order or requirement under the *Gas Act 1997*, *Essential Services Act 1981*, *State Disaster Act 1980*, *Emergency Management Act 2004* or the *State Emergency Service Act 1987*, *Fire and Emergency Services Act 2005*, or any other relevant legislation.

### 1.7 Reporting to the Commission

- 1.7.1 The distributor must keep sufficient records to monitor its performance with the service standards under clauses 2.1, 2.2 and 2.4 and to provide that information to the *Commission* in the manner and form prescribed by the *Commission*.
- 1.7.2 The distributor must report to the *Commission* by 31 August each year concerning matters relating to the service standards during the previous year ending on 30 June including;
- 1.7.3 its compliance with the service standards set out in this clause 1.7 or under its *connection and supply contracts*.
- (a) an explanation of the reason for any non-compliance; and
  - (b) a report on how the *distributor* will improve its performance so as to meet the service standards set out in this clause 1.7 or its *connection and supply contracts*.

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# Appendix 4: Gas Distribution Code

## 2 Operation of Distribution System

### 2.1 Distributor obligations

2.1.1 In operating the distribution system, the distributor must:

- (a) ~~establish and document (in its safety, reliability, maintenance and technical management plan required under the *Gas Act 1997*), operational and system security standards for its *distribution system* comply with the safety, reliability, maintenance and technical management plan as approved from time to time by the *Technical Regulator*, and for all *connections* and proposed *connections* to its *distribution system*,~~
- (b) ~~maintain the delivery pressure of *gas* from the *distribution system* to ensure that~~ ensure that at all time *gas* is supplied so that:
  - (i) the operating pressure of the *gas* at the outlet of each meter set for recording a *customer's* consumption of *gas* is: ~~1kPa or more but less than 3kPa for all mains (subject to any written requirement of the *customer* or agreement between the *Technical Regulator* and the *distributor* for *gas* to be supplied at more than 3kPa); and~~
    - (A) ~~1kPa or more but less than 3kPa for low pressure mains; or~~
    - (B) ~~2.75kPa but less than 3.25 kPa for medium or high pressure mains;~~
    - (C) ~~subject to any written requirement of the *customer* or agreement between the *Technical Regulator* and the *distributor* for *gas* to be supplied at more than 3kPa; and~~
  - (ii) ~~the pressure of the *gas* at each such meter set is within the meter set manufacturer's designated pressure operating range;~~
- (c) ~~use its *best endeavours* to ensure that at all times the *gas* is supplied so that:~~
  - (i) ~~the operating pressure of the *gas* at the outlet of each meter set for recording a *customer's* consumption of *gas* is between 2.75kPa and 3kPa for *medium pressure mains* and *high pressure mains* (subject to any written requirement of the *customer* or agreement between the *Technical Regulator* and the *distributor* for *gas* to be supplied at more than 3kPa); and~~
  - (ii) ~~the pressure of the *gas* at each such meter set is within the meter set manufacturer's designated pressure operating range;~~
- (~~e~~)d) subject to this industry code, deliver *gas* received from a *retailer* at a *receipt point* through its *distribution system* to *delivery points* nominated by the *retailer* on terms and conditions set out in an *Access Arrangement*, or otherwise on fair and reasonable terms and conditions;
- (~~e~~)e) on request by a *retailer*, provide details as to the *distributor's* requirements in relation to:

## Appendix 4: Gas Distribution Code

- (i) the protection of the *distributor's* pipes and equipment; and
- (ii) non-interference by the *customer* with the *distributor's distribution system* or with the supply to any other *gas installation*, within 10 *business days* of the request, ~~and~~

~~(e) use its *best endeavours* to achieve:~~

~~(i) a level of *unaccounted for gas* for the *distribution system* of no more than 1,626 TJ by the end of the 2015/16 regulatory period; and~~

~~(ii) annual reductions in levels of *unaccounted for gas* for the *distribution system* in each year up to and including 2015/16.~~

### 2.2 Maintenance

- 2.2.1 The *distributor* must use *best endeavours* to maintain the capability of its *distribution system*.
- 2.2.2 Unless approved by the *Commission*, the *distributor* must not remove or disable any part of its *distribution system* that supplies *gas* to one or more *customers* on the grounds that the financial return to the *distributor* from supplying those *customers* is insufficient.

### 2.3 Preconditions to connection

2.3.1 Subject to the provisions of the *National Energy Retail Law* and the *National Gas Rules*, upon request, a *distributor* must connect to its *distribution system* that *customer's gas installation*, provided that:

- (a) the *gas installation* at the *supply address* complies with regulatory requirements and AS 5601;
- (b) the customer agrees to maintain the *gas installation* at the *supply address* in a safe condition;
- (c) the *customer* has a contract for the purchase of *gas* with a *retailer* which has a contract with the *distributor* for the haulage of *gas*;
- (d) in respect of a new *connection* the *distributor* has been provided with a completed certificate of compliance for the *customer's gas installation* work from the *gas installer*;
- ~~(e) the *customer* satisfies the *distributor* that there is safe and convenient access to the *metering installation* and the *customer's gas installation* for:~~

## Appendix 4: Gas Distribution Code

- ~~(i) — connection or disconnection of supply;~~
- ~~(ii) — inspection or testing of *gas installations* or *metering installations*;~~
- ~~(iii) — undertaking inspection, repairs, testing or maintenance of the *distribution system* and~~
- ~~(iv) — collection of *metering data*, in accordance with the provisions of this industry code and other industry codes made by the *Commission* from time to time;~~

~~(e)~~ the *customer* agrees to protect the *distributor's* equipment at the *customer's supply address* from damage and interference;

~~(f)~~ the *customer* provides to the *retailer* contact details of the owner (or the owner's agent) of the *supply address*, if the request is made in respect of a *supply address* that is a rental property;

~~(g)~~ the *customer* agrees to take reasonable precautions to minimise the risk of loss or damage to any equipment, premises or business of the *customer* which may result from poor quality or reliability of the *gas* supply;

~~(h)~~ an adequate *gas* supply is available at the required volume and pressure at the boundary of that *supply address*; and

~~(i)~~ any extensions or expansions that are required for the *connection* have been completed.

2.3.2 Subject to clause 2.3.1, the *distributor* must *connect* the *gas installation* of a *customer* on fair and reasonable terms.

### 2.4 Reconnection after disconnection

2.4.1 Where a distributor has disconnected a customer's supply address:

- (a) after receiving a direction *in writing* from the *retailer* and the *retailer* has subsequently notified the *distributor* to reconnect the *supply address*;
- (b) for health or safety reasons and the circumstances giving rise to the disconnection no longer exist; or
- (c) due to a *customer* using *gas* in breach of the *National Energy Retail Law*, and the *customer* has remedied that breach, and has paid, or made an arrangement to pay, for the *gas* so obtained; or
- (d) for any reason that the *distributor* is otherwise entitled to disconnect supply under the energy laws,

the *distributor* must connect the *customer's supply address* in accordance with this clause subject to any requirements specified in the *National Energy Retail Law*; the *retailer* making a request for reconnection; and the *retailer* paying the *distributor's* reasonable charge for reconnection, if any.

2.4.2 The *distributor* must use *best endeavours* to perform a reconnection under clause 2.4.1 within sufficient time for a *retailer* to meet its contractual obligations to the *customer* as set out in the *National Energy Retail Law*.

# Appendix 4: Gas Distribution Code

## Schedule 1 – Definitions

In this industry code:

**“Access Arrangement”** means the arrangement for third party access to a *distribution pipeline* filed by the *distributor* pursuant to the *National Gas Law* and *National Gas Rules*, and which has been approved by the relevant regulator;

**“Act”** means the *Gas Act 1997 (SA)*;

**“best endeavours”** means to act in good faith and use all reasonable efforts, skill and resources;

**“business day”** has the meaning given to that term in the *National Energy Retail Law*, a day that is not:

- (a) a Saturday or Sunday; or
- (b) observed as a public holiday in South Australia;

**“Commission”** means the Essential Services Commission established under the *Essential Services Commission Act 2002*;

**“connection”** means the joining of a *gas installation* to a *delivery point* to allow the flow of *gas*;

**“connection and supply contract”** means the model standing (deemed) contract or negotiated contract established between a *customer* and the *distributor* in accordance with *National Gas Law*;

**“customer”** has the meaning given to that term in the *Act*, namely a person who has a supply of *gas* available from a system for consumption by that person, and includes:

- (a) the occupier for the time being of a place to which *gas* is supplied by a *distribution system*, and
- (b) where the context requires, a person seeking a supply of *gas* from a *distribution system*, and
- (c) a person of a class declared by regulation to be customers;

**“delivery point”** means a point on a *distribution system* at which *gas* is withdrawn from the *distribution system* for delivery to a *customer* and which is normally located at:

- (a) the inlet of a *gas installation* of a *customer*; or
- (b) the outlet of a meter;

**“distribution pipeline”** has the meaning given to that term in the *National Gas (South Australia) Act 2008*;

**“distribution services”** means the service of receipt of *gas* at *receipt points*, haulage of the *gas* through the *distribution system* and delivery of *gas* at *delivery points*;

**“distribution system”** has the meaning given to that term in the *Act*;

**“distributor”** means a person holding a licence under the *Act* to operate a *distribution system*;

**“gas”** has the meaning given to that term in the *Act*;

**“gas installation”** has the meaning given to that term in the *Act*;

**“guideline”** means a guideline published by the *Commission*;

**“high pressure main”** has the meaning given to that term in the *distributor’s safety, reliability, maintenance and technical management plan* as currently approved by the *Technical Regulator*;

**“medium pressure main”** has the meaning given to that term in the *distributor’s safety, reliability, maintenance and technical management plan* as currently approved by the *Technical Regulator*;

## Appendix 4: Gas Distribution Code

"*metering installation*" means the meter and associated equipment and installations, which may include correctors, regulators, filters, data loggers and telemetry relating to a *delivery point*;

"*National Energy Retail Law*" has the meaning given to that term in the National Energy Retail Law (South Australia) Act 2011 as in force from time to time;

"*National Energy Retail Regulations*" means the Regulations made under Part 11 of the *National Energy Retail Law*;

"*National Energy Retail Rules*" means the Rules made under Part 10 of the *National Energy Retail Law*;

"*National Gas Law*" has the meaning given to that term in the *National Gas (South Australia) Act 2008 (SA)* as in force from time to time;

"*National Gas Rules*" has the meaning given to that term in the *National Gas Law*;

"*prescribed standards of quality*" means the quality and other requirements for *gas* set out in or as prescribed in the *Act* and associated regulations;

"*receipt point*" means a point on a *distribution system* where *gas* is injected into the *distribution system*;

"*retail market procedures*" means the rules administered and published by the Australian Energy Market Operator;

"*retailer*" means a person holding a licence under the *Act* or a retailer authorisation under the *National Energy Retail Law* (as the case may be) for the sale and supply of *gas*; "*supply address*" means:

- (a) the address for which a *customer* purchases *gas* from a *retailer* where there is only one *delivery point* at that address; or
- (b) where there is more than one *delivery point* at the address, each *delivery point* through which the *customer* purchases *gas* from the same *retailer*;

"*Technical Regulator*" means the person holding the office of Technical Regulator under Part 2 of the *Act*; and

~~"*unaccounted for gas*" means the difference between the amount of *gas* injected into the *distribution system* at all *receipt points* and the amount of *gas* withdrawn from the *distribution system* at all *delivery points*, including but not limited to leakage or other actual losses, discrepancies due to metering inaccuracies and variations of temperature, pressure and other parameters.~~

# Appendix 4: Gas Distribution Code

## Schedule 2 – Interpretation

In this industry code, unless the context otherwise requires:

- (a) headings and footnotes are for convenience or information only and do not affect the interpretation of this industry code or of any term or condition set out in this industry code;
- (b) words importing the singular include the plural and vice versa;
- (c) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency and vice versa;
- (d) a reference to a clause or appendix is to a clause or appendix of this industry code;
- (e) a reference to any statute includes all statutes varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, ordinances, by-laws and determinations issued under that statute;
- (f) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement of or novation of, that document or that provision of that document;
- (g) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (h) other parts of speech and grammatical forms of a word or phrase defined in this industry code have a corresponding meaning;
  - (i) a period of time:
    - (ii) which dates from a given day or the day of an act or event is to be calculated exclusive of that day; and
    - (iii) which commences on a given day or the day of an act or event is to be calculated inclusive of that day.
- (i) a reference to:
  - (i) time is a reference to Standard Time within the meaning of the *Daylight Saving Act 1971 (SA)* and not Summer Time within the meaning of that Act;
  - (ii) a day is a reference to a period commencing immediately after midnight and ending the following midnight; and
  - (iii) a month is a reference to a calendar month.
- (j) an event which is required under any term or condition set out in this industry code to occur on or by a stipulated day which is not a *business day*, may occur on or by the next *business day*.

## Appendix 4: Gas Distribution Code



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# Appendix 5: Gas Metering Code



 Gas  
**Code**



## GAS METERING CODE

Version: GMC/045

February 2013 - XXXX 2020



Public – I2 – A2

# Appendix 5: Gas Metering Code

## Enquiries concerning this Code should be addressed to:

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## Amendment record

Issue number	Commencement date	Pages
GMC/01	08/03/2004	
GMC/02	06/07/2006	
GMC/03	01/07/2011	
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# Appendix 5: Gas Metering Code

## 1 Preliminary

### 1.1 Title

- 1.1.1 This industry code is the *Gas Metering Code*.

### 1.2 Authority

- 1.2.1 This *Gas Metering Code* is made as an industry code pursuant to the powers of the *Commission* under section 28 of the *Essential Services Commission Act 2002*.

### 1.3 Definitions and interpretation

- 1.3.1 Words appearing in bold like **this** are defined in clause 6 of this *Gas Metering Code*.
- 1.3.2 This *industry code* must be interpreted in accordance with the rules set out in clause 6 of this *Gas Metering Code*.

### 1.4 Application

- 1.4.1 This Gas Metering Code regulates standards for **meters** and **metering installations** at **customer delivery points**.
- 1.4.2 The persons bound by this industry code are **distributors who are registered as Network Operators under the National Gas Rules, and retailers**.

### 1.5 Obtaining a copy of this Gas Metering Code

- 1.5.1 A **distributor must**, when asked by a **customer**, send to that **customer** within 10 **business days** a copy of this *Gas Metering Code* (and any amendments from time to time which materially affect a **customer's** rights, entitlements or obligations), free of charge for the first request by that **customer**.
- 1.5.2 A **distributor** may impose a reasonable charge for subsequent requests by that **customer**.

### 1.6 Other Acts, codes and guidelines

- 1.6.1 Not all aspects of the **retailer's** and **distributor's** obligations are regulated by this *Gas Metering Code*. The **retailer's** and **distributor's** obligations, and some aspects of the relationship with a **customer**, are also affected by:
- Acts of Parliament and Regulations (in particular, the Gas Act 1997, the National Gas (South Australia) Act 2008, and the Essential Services Commission Act 2002 (and associated regulations));
  - the **National Gas Law** and **National Gas Regulations**;
  - the **National Energy Retail Law**, **National Energy Retail Regulations** and **National Energy Retail Rules**;
  - the **distributor's Access Arrangement**;
  - the distribution licence held by the **distributor**;

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- (f) industry codes and any *guidelines* or rules made by the *Commission* from time to time;
- (g) the retail market procedures; and
- (h) the terms of an agreement in place between a *retailer* and a *distributor*.

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## 2 Provision of metering installations

### 2.1 Obligation to install meters

~~2.1.1~~ Where a *metering installation* is not provided at a *delivery point* that supplies a gaslight, at 1 January 2004, the *distributor* is not required to provide a *metering installation*.

~~2.1.2~~2.1.1 The *distributor* must provide an *interval metering installation* at *delivery points* for which the annual *gas* consumption level is greater than 10 terajoules per annum, and is expected to remain higher than 10 terajoules per annum.

~~2.1.3~~2.1.2 The *distributor* must not unreasonably withhold its consent to the request of a *retailer* to install a *metering installation* of a type that is different from that already installed, or that the *distributor* would otherwise install, provided that the *metering installation* satisfies any applicable technical requirements (including those reasonably required by the *distributor*).

~~2.1.4~~2.1.3 The incremental cost of providing and installing a new *metering installation* under clause 2.1.~~3~~ shall, to the extent permitted by an *applicable regulatory instrument*, be paid by the party that initiates the change.

### 2.2 Non reversion

2.2.1 The *distributor* must ensure that an *interval metering installation* is not replaced by a *basic metering installation* prior to the end of its economic life unless the *distributor* had determined that the consumption of *gas* at the *delivery point* will be reduced below 10 terajoules per annum due to significant changes in the use of the premises.

2.2.2 The *distributor* must report to the *Commission* on an annual basis all instances where it has replaced an *interval metering installation* with a *basic metering installation* pursuant to a determination of the *distributor* made under clause 2.2.1.

### 2.3 Provision of metering installations

2.3.1 A *metering installation* must contain an index register that:

- (a) has a visible and accessible display of *metering data*; or
- (b) allows the *metering data* to be accessed and read at the same time by portable computer or other equipment of a type or specification reasonably acceptable to all persons who are entitled to have access to that *metering data*.

### 2.4 Installation

2.4.1 The *distributor* must install *metering installations* as near as practicable to the *delivery point*.

2.4.2 The *distributor* must install *metering installations* in a position which allows safe and unimpeded access to any person whose obligation it is to test, adjust, maintain, repair, or replace the *metering installation*, or collect *metering data* from the *metering installation*.

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### 2.5 Installation database

- 2.5.1 A distributor must maintain an installation database in respect of each metering installation.
- 2.5.2 The *installation database* must contain at least the following information:
- (a) the Metering Installation Registration Number (*MIRN*);
  - (b) the location of each installed *meter*, *corrector* and *data logger*;
  - (c) the make, model and year of manufacture for each *meter*, *corrector* and *data logger*;
  - (d) for each *meter*, *corrector* and *data logger* that is installed, the address of the *customer* and the date of installation;
  - (e) the next scheduled date for testing or replacement of all devices used to measure the quantity of *gas*;
  - (f) data on performance of each device used to measure the quantity of *gas* (where relevant);
  - (g) calibration records of all devices used to measure the quantity of *gas*;
  - (h) testing records of all devices used to measure the quantity of *gas*;
  - (i) date and details of all seals and labels applied to *meters* and *correctors*;
  - (j) the date of, and details of, the most recent maintenance of all devices used to measure the quantity of *gas*; and
  - (k) the next scheduled date for maintenance of all devices used to measure the quantity of *gas*.
- 2.5.3 A *distributor* must maintain the information contained in the *installation database*:
- (a) in an accessible format for a minimum period of 16 months from the date of inclusion of information in the database; and
  - (b) in archive for 7 years from the date of inclusion of the information in the database, or for twelve months after the life of the relevant *metering installation*, whichever is longer.
- 2.5.4 The *distributor* must provide, upon request *in writing*, access to an *affected party* to information in the *installation database* relevant to that person:
- (a) within two *business days*, where the information is in an accessible format as required by clause 2.5.3(a); and
  - (b) otherwise within thirty *business days*, from the date of receipt of the request.

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## 2.6 Minimum standards of accuracy

- 2.6.1 The *minimum standards* of accuracy for *metering installations* are within a margin of accuracy of plus or minus 2% of the net volume of *gas* delivered to that *delivery point*.
- 2.6.2 The *distributor* must ensure that the operation of the *metering installation* does not show systematic bias within the allowable margin of accuracy.
- 2.6.3 The *distributor* must ensure that each of its *metering installations* containing pressure regulators are able to provide sufficient flow at the minimum regulator inlet pressure, and where a fixed pressure factor is applied, is able to reliably control the outlet pressure to meet the *distribution system* pressure requirements in the *applicable regulatory instruments*.
- 2.6.4 A person bound by this industry code must not tamper with or calibrate a *meter* with the purpose of introducing bias in the *meter*.

## 2.7 Security

- 2.7.1 The *distributor* must use *best endeavours* to ensure that the *metering installation* is protected from unauthorised interference or damage.
- 2.7.2 The *distributor* must in respect of new *metering installations*, provide seals or other appropriate devices to detect any interference.
- 2.7.3 Following notification that a seal has been broken the *distributor* must replace a broken seal on the earlier of:
  - (a) the first occasion the metering installation is visited to take a reading; or
  - (b) 70 business days.
- 2.7.4 The costs of replacing seals which are broken are borne:
  - (a) if the seal was broken by the *customer*, by the *customer*, or
  - (b) if the seal was broken by the *retailer*, by the *retailer*, or
  - (c) otherwise by the *distributor*.
- 2.7.5 If as a result of or in connection with the breaking of a seal, the relevant *metering installation* may no longer meet the relevant *minimum standards* of accuracy, the *distributor* must:
  - (a) test the *metering installation* in accordance with clause 3, within 15 *business days*; or
  - (b) replace the *metering installation* in accordance with clause 3.6.

## 3 Metering installation testing

### 3.1 Accreditation and certification

- 3.1.1 The **distributor** must ensure that **meters** and **correctors** purchased have National Measurement Institute pattern approval from an accredited laboratory recognised under the International Certification Scheme in accordance with specifications or guidelines specified by the National Measurement Institute under the *National Measurement Act*.
- 3.1.2 Where National Measurement Institute pattern approval is not required to be provided by the National Measurement Institute, the **distributor** must conduct tests, or must cause tests to be conducted, in respect of the setting, scaling or certifying the accuracy of **meters** and **correctors**, by persons, or in a facility, accredited by **NATA** to conduct such tests.
- 3.1.3 The **distributor** must ensure that calibrating equipment used in connection with the calibration of its **metering installations** is certified by a verifying authority empowered to issue certificates under Regulation 13 of the *National Measurement Regulations (Cth)*.

### 3.2 Acceptance testing and type testing of metering installations

- 3.2.1 The **distributor** must conduct, or cause to be conducted, **acceptance tests** on **meters**, **correctors** and **data loggers** that are components of **metering installations** in the following circumstances:
- (a) before a new **meter**, **corrector** or **data logger** is placed in service;
  - (b) before a **meter**, **corrector** or **data logger** that has been removed from service is placed back into service; and
  - (c) after any repairs, maintenance or recalibration performed on a **meter**, **corrector** or **data logger** have been completed.
- 3.2.2 The distributor must only adopt a new type of metering installation if that metering installation has been type tested.
- 3.2.3 The **distributor** must provide a **retailer**, copies of the relevant **type test** certificates in its possession in relation to a **meter** on request.
- 3.2.4 The **distributor** must keep records of **type testing** under clause 3.2.2 while **meters** of that type remain in service, or for a minimum of 7 years, whichever is the longer.
- 3.2.5 The **distributor** must ensure that any **metering installations** that have been modified are assessed to determine whether the modified design continues to meet the **minimum standards** prescribed by this industry code and that the **metering installations** do not differ from their **type test** to the extent that any difference would affect the performance of the **metering installations**.
- 3.2.6 If reasonable grounds exist for concluding that modifications to a **metering installation** affect its measuring capability or its initial **type testing**, then the **distributor** must ensure that the **metering installation** is submitted for **type testing**.

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### 3.3 Obligation to test metering installations

- 3.3.1 The *distributor* may at any time, and must within 15 *business days* of a request from a *retailer*, test a *metering installation* to ascertain whether or not that *metering installation* is *defective*.
- 3.3.2 The *distributor* must give the *retailer* who requests a test, at least 5 *business days'* notice (or agree such other mutually convenient time) of when the requested test is proposed to be performed.
- 3.3.3 If as a result of the test requested by a *retailer* under clause 3.3.1, the *metering installation* is found to be:
- (a) *defective*, the *distributor* must bear the cost incurred in conducting the test; or
  - (b) not *defective*, the *distributor* may seek to recover the cost incurred in conducting the test.
- ~~3.3.4 The *distributor* must publish charges for the testing of *metering installations*. The charges must be fair and reasonable.~~
- ~~3.3.5~~ 3.3.4 The *distributor* must, upon request, provide the *retailer* with the results of the test conducted under clause 3.3.1 within 5 *business days*.
- ~~3.3.6~~ 3.3.5 The *distributor* must keep records of tests in accordance with clause 2.6.
- ~~3.3.7~~ 3.3.6 If a test carried out under clause 3.3.1 requires the flow of *gas* through a delivery point, then the *distributor* must ensure that the *customer* does not pay any material amount for any *gas* used for the test and not utilised by the *customer*.

### 3.4 Meter classes

- 3.4.1 The initial in-service period of a *meter class* is a period approved by the *Commission* ~~(on the recommendation of the *Technical Regulator*)~~ commencing on the day a *meter* in that *meter class* was first used in the supply of *gas* to a *customer*.
- 3.4.2 If a *distributor* intends to retain the *meters* in a *meter class* after the end of the initial in-service period for that *meter class* the *distributor* must, in addition to the other *meter* testing provisions in this industry code, establish and maintain a testing and sampling plan approved by the *Commission* ~~(on the recommendation of the *Technical Regulator*)~~.
- 3.4.3 The testing and sampling plan must provide that *meters* be tested at both 20% and 100% of the badge capacity of the *meters*.
- 3.4.4 The minimum test requirements will be in accordance with AS/NZS 4944-2006 ~~(as amended from time to time)~~.
- 3.4.5 The *distributor* is required to provide to the *Technical Regulator* the test results for both 20% and 100% for that *meter class*.
- 3.4.6 If the test results do not satisfy:
- (a) the maximum allowable error limits for badge capacity of the *meters* at 20% and at 100% as set out in clause 2.6, with an *uncertainty limit* of no more than 1%; and

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- (b) such other requirements of the testing and sampling plan approved by the ~~Commission~~, *Technical Regulator*, then the *distributor* must replace or recalibrate all *metering installations* in that *meter class*.

### 3.5 Provision of test results

- 3.5.1 The *distributor* must, upon request by the *Commission*, provide the *Commission* with the results of any test conducted in accordance with this industry code.

### 3.6 Non-compliant meters

- 3.6.1 If the accuracy of a *metering installation* does not comply with the requirements of this industry code, or if a *distributor* becomes aware of any matter which could affect the integrity of the *metering data*, the *distributor* must at the cost of the *distributor*:
  - (a) notify the *affected parties* as soon as practicable;
  - (b) arrange for the accuracy of the *metering installation* to be restored so that it meets the *minimum standards* of accuracy, or for the *metering installation* to be replaced, within 10 *business days* where the consumption at the *delivery point* is less than 10 terajoules per annum and 5 *business days* where the consumption at the *delivery point* is 10 terajoules per annum or more, or such longer period as may be approved by the ~~Commission~~ *Technical Regulator*; and
  - (c) until the restoration or replacement of the *metering installation* in accordance with clause 3.6.1(b) use substitute readings.
- 3.6.2 Where a measurement error exists and the *distributor* proposes to substitute previous *meter* readings, the *distributor* must limit the substitution of *meter* readings to:
  - (a) the period where the measurement error was greater than 1.5 times the *minimum standards* of accuracy; and
  - (b) the period where the measurement error exists, but no earlier than 12 months prior to when the measurement error was known if the measurement error resulted in the *customer* being undercharged.

### 3.7 Correction

- 3.7.1 In undertaking a *meter* reading at a *metering installation* the *distributor* must adjust the *meter* reading for pressure, temperature or supercompressibility, or a combination of these factors, through applying the correction factors or using a *corrector* when:
  - (a) the error arising from these effects exceeds the requirements of the *minimum standards*; or
  - (b) the operating condition varies during the course of the day affecting the pressure, temperature or supercompressibility; or
  - (c) where required to do so by the *Technical Regulator*.
- 3.7.2 A *distributor* can only make an adjustment for *meter* error using a *corrector* or a *correction factor* when:

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- (a) the *corrector* and *meter* for the specified correction is uniquely identified;
- (b) the accuracy of the *meter* and/or *corrector* is within the *minimum standards*;
- (c) the method of adjustment by the *corrector* can be varied; and
- (d) the *affected parties* are advised of the compensation device and the settings used.

### 3.8 Sealing and labelling

- 3.8.1 A *distributor* must place a label on any *meter* and *corrector* that has been subject to an *acceptance test* and found to pass the test. The label must include a distinguishing mark and the year of test attached to indicate that it has passed the test.
- 3.8.2 If a *meter* or *corrector* has not been tested or has been found not to pass an *acceptance test*, the *distributor* must ensure that it is not labelled.

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## 4 Meter reading and data

### 4.1 Gas heating value

- 4.1.1 **Gas** is to be metered by quantity and converted to units of energy for billing purposes using the heating value calculated by the **distributor** in accordance with a methodology approved by the **Technical Regulator**.

### 4.2 Meter reading for customer transfer

- 4.2.1 On request by a **retailer**, the **distributor** must use **best endeavours** to carry out an **actual meter reading** to enable the transfer of a **customer** to that **retailer** within a reasonable time of the request.

4.2.2 Where a **basic meter** is installed, the final meter reading prior to a **customer** transferring to a new **retailer**, whether a **scheduled meter reading** or a **special meter reading**, must be forwarded to the new **retailer** by the **distributor** in accordance with clause 4.7.4 or clause 4.7.5, respectively.

### 4.3 Collection of metering data

- 4.3.1 Subject to clauses 4.3.2 and 4.3.3, a **customer** may arrange with the **retailer** the manner in which data stored in a **metering installation** provided to the **customer** is to be collected by the **distributor**.

4.3.2 A **customer** may request that the data stored in the **metering installations** provided to it be collected by the **distributor**.

- (a) by inspecting the **metering installation**; or
- (b) where the **metering installation** is capable of providing data by electronic means, by electronic means; or
- (c) where the **metering installation** is capable of providing data by any other means, by any other means.

4.3.3 The **distributor** may charge a **retailer** for the collection of **metering data** under this clause 4.3.2 to the extent that its costs of collection are higher than they would otherwise be.

4.3.4 Where the **metering data** held in the **metering installation** is protected from direct or remote access by suitable password and security controls, such passwords and security controls must be used.

4.3.5 Passwords must be treated as confidential information in accordance with clause 4.7.

4.3.6 If there is any discrepancy between:

- (a) the data stored in a metering installation; and
- (b) metering data in respect of that metering installation, the data stored in the metering installation is to be the prima facie evidence of the quantity of gas or energy, if applicable, supplied to the relevant customer.

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## 4.4 Validation and substitution of metering data

- 4.4.1 The *distributor* must ensure that *metering data* collected from an *interval metering installation* under clause 4.3:
- (a) is validated in accordance with schedule 1, clause 1 of this industry code; and
  - (b) where necessary, is substituted in accordance with schedule 1, clauses 2 and 4, of this industry code.
- 4.4.2 The *distributor* must ensure that *metering data* collected from a *basic metering installation* under clause 4.3:
- (a) is validated in accordance with schedule 2, clause 1 of this industry code; and
- 4.4.3 where necessary, is substituted in accordance with schedule 2, clauses 2 and 4 of this industry code.
- 4.4.4 Where tests under clause 4.4.1(a) or 4.4.2(a) demonstrate that there has been a failure of the *metering installation* or that a measurement error exists, the *metering data* must be substituted in accordance with clause 4.4.1(b) or 4.4.2(b) and the *distributor* must provide the substituted *metering data* to the *retailer* so that the *retailer* can meet its billing obligations.
- 4.4.5 If a substitution is made to *metering data*, the *distributor* must inform the *retailer* accordingly to ensure that a bill issued to the relevant *customer* informs that *customer* that a substitution has been made.
- 4.4.6 Where *metering data* in respect of a *customer* has been substituted and is required to be transferred to *AEMO*, the substituted data must be provided to *AEMO* by the *distributor*.
- 4.4.7 The *distributor* must maintain a separate record of the substitution made under clauses 4.4.1 and 4.4.2 for 7 years and provide access to the record at reasonable times to the relevant *customer's retailer*.

## 4.5 Estimation of metering data

- 4.5.1 Where *metering data* cannot be obtained in the time frame required for settlement of the market, the *distributor* must ~~calculate an estimated value estimate of the~~ *metering data* in accordance with schedule 1, clauses 3 and 4 of this industry code for an *interval metering installation* and schedule 2, clauses 3 and 4 of this industry code for a *basic metering installation*.

## 4.6 ~~Storage of metering data~~

- 4.6.1 ~~The *distributor* must store *metering data* in respect of separate *metering installations*, in the form in which it was collected under clause 4.3:~~
- ~~(a) in an accessible format for a minimum period of 16 months from the date of the *meter* reading; and~~
  - ~~(b) in archive for 7 years from the date of the *meter* reading.~~

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### 4.74.6 Access to metering data

~~4.7.1 The distributor must give a retailer's customer access to data stored in a metering installation used to measure and record the amount of gas supplied to its delivery point, either by inspecting the metering installation or, where available, by electronic access to the metering installation.~~

~~4.7.24.6.1~~ Where data is available by electronic means, the distributor must, on written request from a customer's retailer, provide facilities to enable the customer to access data stored in a metering installation where it is available by electronic means.

~~4.6.2~~ Where the distributor has provided facilities to enable the retailer's customer to access data stored in a metering installation by remote electronic means, if remote electronic access to the metering installation is unavailable for a period of 5 consecutive business days due to the actions within the control of the distributor, the distributor must, if requested by the retailer's customer, obtain data locally from the metering installation and provide that data to the retailer's customer at the distributor's cost.

~~4.7.34.6.3~~ When providing data required under clauses 4.6.1 and 4.6.2, this data must be provided within the timeframes required for the provision of this data contained in the Retail Market Procedures.

~~4.7.4~~ The distributor must ensure that access is provided for the retailer to metering data (whether actual, substituted under clause 4.4 or estimated under clause 4.5), at the frequency agreed, by 5.00 pm on the first business day after that metering data has been collected.

~~4.7.5~~ The distributor must ensure that access is provided for the retailer to metering data from special meter reads and final meter reads, by 5.00 pm on the first business day after that metering data has been collected.

~~4.7.64.6.4~~ Where access is provided for the retailer to metering data under clauses 4.7.4 and 4.7.5, the distributor must ensure that any additional data required by the retailer to meet its obligations under the National Energy Retail Law is also provided, and that any timeframes for the provision of this additional data imposed under the National Energy Retail Law are complied with.

### 4.84.7 Confidentiality

~~4.8.14.7.1~~ The distributor and retailers must keep metering data confidential and use best endeavours to protect and preserve the confidential nature of the metering data and must comply with any applicable regulatory instrument.

~~4.8.24.7.2~~ The distributor and retailers:

- (a) must not disclose metering data for a customer to any person except as permitted by this industry code, the National Energy Retail Law, the National Gas Law, the National Gas Rules, or the retail market procedures;
- (b) must only use or reproduce metering data for a customer for the purpose for which it was collected under this industry code or another purpose contemplated by any other industry code, the National Energy Retail Law, the National Gas Law, the National Gas Rules, or the retail market procedures;

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- (c) must not permit unauthorised persons to have access to *metering data* for a *customer*;
- (d) must not disclose *metering data* for a *customer* to any person without the *explicit informed consent* of the *customer*; and
- (e) must ensure that the *metering data* and other information obtained from a *customer* is treated in accordance with the *explicit informed consent* of the *customer* and in accordance with any *applicable regulatory instrument*.

4.8.34.7.3 This clause 4.87 does not prevent:

- (a) the disclosure, use or reproduction of *metering data* if the *metering data* is at the time generally and publicly available otherwise than as a result of breach of confidence by the *distributor* or a *retailer* or its *disclosees*;
- (b) the disclosure of *metering data* by the *distributor* or a *retailer* or its *disclosees* to:
  - (i) its employees or the employees of its related bodies corporate subject to any *applicable regulatory instrument*;
  - (ii) or its legal or other professional advisor, auditor or other consultant, requiring the *metering data* for the purposes of this industry code or any other industry code or for the purpose of advising the *distributor* or the *retailer* or *disclosee* in relation to those purposes;
- (c) the disclosure, use or reproduction of *metering data* with the *explicit informed consent* of the relevant *customer*;
- (d) the disclosure, use or reproduction of *metering data* to the extent required by law or by lawful requirement of:
  - (e) any government or governmental body, authority or agency having jurisdiction over the *distributor* or a *retailer* or its *related bodies corporate*;
  - (f) any stock exchange having jurisdiction over the *distributor* or a *retailer* or its *related bodies corporate*; or
  - (g) the *Commission*;
  - (h) the disclosure, use or reproduction of *metering data* required in connection with legal proceedings, arbitration, expert determination or other dispute resolution mechanism under this industry code or any other industry code, the *National Energy Retail Law*, the *National Gas Law*, the *National Gas Rules*, or the *retail market procedures*;
  - (i) the disclosure use or reproduction of *metering data* which is trivial in nature;
  - (j) the disclosure, use or reproduction of *metering data* required to protect the safety of personnel or equipment; or
  - (k) the disclosure, use or reproduction of *metering data* by or on behalf of the *distributor* or a *retailer* to the extent it is reasonably required in connection with the *distributor's* or the *retailer's* financing arrangements, investment in the *distributor* or the *retailer* or disposal of the *distributor* or the *retailer*.

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4.8.44.7.4 In the case of a disclosure under clauses 4.87.3(b) and 4.87.3(h), the *distributor* or the *retailer* making the disclosure must inform the relevant *disclosee* of the confidentiality of the *metering data* and use *best endeavours* to ensure that the *disclosee* keeps the *metering data* confidential.

### 4.94.8 Ownership of metering data

4.94.8.1 The owner of the *meter* is the owner of all *metering data* produced or recorded by that *meter*. Each other person entitled to access that *metering data* under this industry code has the right to a non-exclusive licence to use that *metering data* for the purposes of its business, subject to the provisions of the *Act*.

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## 5 Gas measurement management plan

- 5.1.1 The *distributor* must, within three months after the issue of its distribution licence or the commencement of this industry code, whichever is the later, prepare and submit to the ~~Commission for its approval (after consideration by the Technical Regulator)~~, a Gas Measurement Management Plan.
- 5.1.2 The Gas Measurement Management Plan must summarise the *distributor's* procedures for:
- (a) installation and ownership of *metering installations*;
  - (b) *minimum standards* for *metering installations* and the maintenance of that accuracy, including the testing and sampling plan referred to in clause 3.4;
  - (c) collection of *metering data*;
  - (d) field and maintenance testing of *metering installations*;
  - (e) resolution of metering disputes;
  - (f) *metering data* obligations;
  - (g) management and exchange of metering information; and
  - (h) measurement and calculation of heating value for the purpose of billing.
- 5.1.3 The *distributor* must annually review and, if necessary, update the plan to ensure its efficient operation, and submit the updated plan to the ~~Commission for approval (after consideration by the Technical Regulator)~~ for approval.
- 5.1.4 The *distributor* must comply with the plan prepared in accordance with clause 5.1.1 and as updated from time to time in accordance with clause 5.1.3.
- 5.1.5 The *distributor* must not amend the plan without the approval of the ~~Commission~~ Technical Regulator.

## 6. Definitions and interpretation

In this industry code:

**"acceptance testing"** means the testing and setting by a manufacturer or installer on a *meter*, *corrector* or *metering installation* to establish the initial calibration of the *meter*, *corrector* or *metering installation*;

**"Access Arrangement"** means the arrangement for third party access to a *distribution pipeline* filed by the *distributor* pursuant to the *National Gas Law* and *National Gas Rules* and which has been approved by the relevant regulator;

**"Act"** means the *Gas Act 1997 (SA)*;

**"AEMO"** means the Australian Energy Market Operator Limited (ACN 072 010 327);

**"AER"** means the Australian Energy Regulator established under Part IIIAA of the *Competition and Consumer Act 2010*;

**"actual meter reading"** means the physical collection of *metering data* by way of a *scheduled meter reading* or a *special meter reading*. An *actual meter read* may be *metering data* which has been substituted in accordance with clause 4.4.1(b) for an *interval meter* or clause 4.4.2(b) for a *basic meter*, but does not include *metering data* which has been estimated;

**"affected party"** means a party that may be affected by the possible inaccuracy of a *metering installation* or *metering data* from that *metering installation*;

**"applicable regulatory instruments"** means any Act or regulatory instrument made under an Act, or a regulatory instrument issued by the *Commission*, which applies to a *distributor* or a *retailer*;

**"basic meter"** means a *meter* which is not an *interval meter*. This includes all *meters* which are not read daily by means of *telemetry*, even if they record *gas* flow and other data over daily or shorter intervals without a *data logger*.

**"basic metering installation"** means a *metering installation* with a *basic meter*;

**"best endeavours"** means to act in good faith and use all reasonable efforts, skill and resources;

**"business day"** has the meaning given to that term in the *National Energy Retail Law*;

**"Commission"** means the Essential Services Commission established under the *ESC Act*;

**"corrector"** means a device which adjusts uncorrected quantity of *gas* from actual to standard conditions for billing and other purposes;

**"customer"** has the meaning given to that term in the *Act*, namely a person that has a supply of *gas* available from a *distribution system* for consumption by that person, and includes:

- (a) the occupier for the time being of a place to which *gas* is supplied by a *distribution system*; and
- (b) where the context requires a person seeking a supply of *gas* from a *distribution system*; and
- (c) a person of a class declared by regulation to be *customers*;

**"data logger"** means a device that collects and stores data relating to the quantity, temperature and pressure of *gas* and is capable of either:

- (a) transferring recorded data to a portable reading device; or
- (b) being accessed electronically through a data collection system;

## Appendix 5: Gas Metering Code

“defective” means:

- (a) in relation to a new *metering installation*, that it is not meeting the *minimum standards*; and
- (b) in relation to an existing *meter installation*, that it is not meeting the *minimum standards* of accuracy that it was designed to meet;

“*delivery point*” means a point on a *distribution system* at which *gas* is withdrawn from the *distribution system* for delivery to a *customer* and which is normally located at:

- (a) the inlet of a gas installation of a customer; or
- (b) the outlet of a meter;

“*Demand Delivery Point*” has the meaning given in the *distributor’s Access Arrangement*;

“*disclosee*” means a person to whom a *distributor* or a *retailer* has disclosed or wishes to disclose *metering data*;

“*distribution system*” has the meaning given to that term in the *Act*;

“*distribution pipeline*” has the meaning given to that term in the *National Gas (South Australia) Act 2008*;

“*distributor*” means a person holding a licence under the *Act* to operate a *distribution system*;

“*estimated read*” means obtaining an *estimated value* for the total energy quantity of *gas* delivered at a *delivery point* calculated by the *distributor* in accordance with clause 4.5 of this industry code in lieu of an *actual meter reading* an estimate in lieu of a *meter reading*;

“*explicit informed consent*” has the meaning given to that term in the *National Energy Retail Law*;

“*gas*” has the meaning given to that term in the *Act*;

“*guideline*” means a guideline published by the *Commission*;

“*installation database*” means a database of calibration data which a *distributor* is required to keep in respect of its *metering installations* pursuant to this industry code;

“*interval meter*” means a *meter* which is read by means of *telemetry*, and aggregates the flow of *gas* across time, and records that flow for each hour, with a *data logger*;

“*interval metering installation*” means a *metering installation* with an *interval meter*;

“*in writing*” means communication made by letter, facsimile or electronic media;

“*meter*” means a device used to directly measure the mass or volume of means an instrument that measures the quantity of *gas* passing through it and includes associated equipment attached to the instrument to filter, control or regulate the flow of *gas*;

“*meter class*” means a group of *meters* in which:

- (a) all the *meters* have been made to the same specifications by the same manufacturer;
- (b) there are no significant differences in components or materials between the *meters*; and
- (c) all the *meters* have been sealed with the same date code;

“*metering data*” means the measure of quantity of *gas* flow obtained from a *metering installation*;

“*metering installation*” means the *meter* and associated equipment and installations, which may include *correctors*, regulators, filters, *data loggers* and *telemetry equipment* relating to a *delivery point*;

“*minimum standards*” means, in respect of new *meters*, the minimum standards referred to in clause 2.6 of this industry code;

## Appendix 5: Gas Metering Code

"**MIRN**" means ~~a the unique 10-digit numeric meter installation registration number identifier~~ that a **distributor** assigns to each **metering installation**;

"**NATA**" means the National Association of Testing Authorities, Australia;

"**National Energy Retail Law**" has the meaning given to that term in the National Energy Retail Law (South Australia) Act 2011 as in force from time to time;

"**National Energy Retail Regulations**" means the Regulations made under Part 11 of the **National Energy Retail Law**;

"**National Energy Retail Rules**" means the Rules made under Part 10 of the **National Energy Retail Law**;

"**National Gas Law**" has the meaning given to that term in the *National Gas (South Australia) Act 2008 (SA)* as in force from time to time;

"**National Gas Rules**" has the meaning given to that term in the **National Gas Law**; "**quarterly**" means a period of thirteen weeks (13) nominally, but not exceeding a period of fourteen (14) weeks;

"**Network Operator**" means an entity that participates in the retail gas market of South Australia in the registrable capacity of a "Network Operator" under the **National Gas Rules** and has registered with **AEMO** under the **National Gas Rules** in that capacity;

"**related body corporate**" means in relation to a body corporate, a body corporate that is related to the first mentioned body by virtue of the *Corporations Act 2006 (Cth)*;

"**retail market procedures**" means the rules administered and published by **AEMO**;

"**retailer**" means a person holding a licence under the **Act** or a retailer authorisation under the **National Energy Retail Law** (as the case may be) for the sale and supply of **gas**;

"**scheduled meter reading**" means an **actual meter reading of a delivery point** on a cycle that equates to the customer's billing cycle, usually monthly or **quarterly**;

"**special meter reading**" means an **actual meter reading of a delivery point** performed outside of the usual reading cycle for the **meter**;

"**supply address**" means:

(a) the address for which a **customer** purchases **gas** from a **retailer** where there is only one **delivery point** at that address; or

(b) where there is more than one **delivery point** at the address, each **delivery point** through which the **customer** purchases **gas** from the same **retailer**;

"**Technical Regulator**" means the person holding the office of Technical Regulator under Part 2 of the **Act**;

"**telemetry**" means the process of communication using special equipment to send, receive and measure data collected from a **metering installation** over distances; communication equipment used for transmission of data collected from a **metering installation** to a central data management system and typically encompasses modems, telecom landline (which may be dedicated or part of a PSTN network) or radio receivers (which may or may not be in the form of a dedicated radio network, GSM, GPRS, CDMA, 3G, satellite telephony or any other comparable network).

"**type testing**" means the testing conducted to establish the fitness for purpose of a new **metering installation** type;

"**uncertainty limit**" means the range within which the test results will be replicated when a test is repeated;

"**Volume Delivery Point**" has the meaning given in the **distributor's Access Arrangement**.

# Appendix 5: Gas Metering Code

## Interpretation

In this Code, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this Code;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (f) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- (h) an event which is required under this code to occur on or by a stipulated day which is not a *business day* may occur on or by the next *business day*.

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# Appendix 5: Gas Metering Code

## Schedule 1 – Validation, Substitution and Estimation – Interval Metering Installation

### 1. Requirement to validate meter readings

**Actual meter readings** will be required to be validated in accordance with clause 4.4.1(a) of this industry code. The validation rules that may be applied to the **metering data** from the **meter** of an **interval metering installation** are:

- (a) Consumption **metering data** for the **meter** read period = sum of **interval metering data** for the **meter** read period;
- (b) Accumulated **meter** read value is numeric and  $\geq 0$ ;
- (c) Accumulated **meter** read value is  $\geq$  previous accumulated **meter** read value;
- (d) Accumulated **meter** read value passes high/low test;
- (e) **Meter** read date/time > previous **meter** read date/time;
- (f) Maximum value (to ensure that no spikes are created);
- (g) Null checks;
- (h) Dial capacity and decimal point check; and
- (i) **Metering data** is consistent with the correct **meter** type for that **delivery point**.

### 2. Requirement to produce substituted metering data

In accordance with clause 4.4.1(b) of this industry code, **metering data** for an **interval metering installation** will be required to be substituted where:

- (a) the **actual meter reading** fails the validation tests; **there is a failure of the metering installation**; or
- (b) an inspection or test on the **metering installation** establishes that a measurement error exists.

### 3. Requirement to produce estimated metering data

In accordance with clause 4.5 of this industry code, **metering data** for an **interval metering installation** will be required to be estimated where the **metering data** cannot be obtained in the timeframe required for settlement of the market.

### 4. Distributor Obligations

- (a) The **distributor** may use Types 1, 2, 3, 4, 5, 6, 7 or 8 techniques in accordance with clause 5 of this schedule 1, when the **metering data** is required to be substituted.
- (b) The **distributor** may use Types 1, 2, or 3 techniques in accordance with clause 5 of this schedule 1, when the **metering data** is required to be estimated.
- (c) The **distributor** may use Type 2 except where the first **actual meter reading** has not been undertaken.
- (d) The **distributor** may use Type 3, except where:

## Appendix 5: Gas Metering Code

- (i) the first *actual meter reading* has not been undertaken; or
  - (ii) the *scheduled meter reading* frequency is less frequent than monthly and the data from the same, or similar, *meter* reading period in the previous year is available.
- (e) The *distributor* may use Types 4, 5, 6 and 7 in the circumstances described in clauses 5.4, 5.5, 5.6 and 5.7 of this schedule 1, respectively.
- (f) 5.5, 5.6 and 5.7 of this schedule 1, respectively.
- (g) The *distributor* may use Type 7 prior to the first *actual meter reading* being undertaken.
- (h) The *distributor* may use Type 8 where there is an error in the *meter* pressure and/or *gas* temperature.
- (i) The *distributor* must notify the *retailer* where substituted or estimated *metering data* is used.
- (j) The *distributor* must ensure that for all Types, except Type 5, substituted or estimated *metering data* is based on an *actual meter reading*, and is not based on *metering data* that has previously been estimated or substituted.

### 5. Substitution and Estimation Types

The techniques for substituting and estimating *metering data* for *interval metering installations* are provided in this clause.

#### 5.1 Type 1

Where there is another *interval metering installation* at the same measurement point for the same interval data periods as that being substituted for, the *distributor* must substitute or estimate the *metering data* using *metering data* from that *interval metering installation*.

#### 5.2 Type 2

The *distributor* may substitute or estimate the *metering data* using the data from the "Nearest Equivalent Day" or "Like Day" from the same, or similar, *meter* reading period in the previous year. The "Nearest Equivalent Day" or "Like Day" is determined from the table below.

## Appendix 5: Gas Metering Code

Day	"Nearest Equivalent Day" or "Like Day" (in order of availability)
Monday	Monday❖❖ Monday❖
Tuesday	Wednesday Tuesday Wednesday
Wednesday	Wednesday Tuesday Thursday Wednesday Thursday Tuesday
Thursday	Thursday❖❖ Wednesday❖❖ Tuesday❖❖ Thursday❖ Wednesday❖ Tuesday❖
Friday	Friday❖❖ Friday❖
Saturday	Saturday❖❖ Saturday❖
Sunday	Sunday❖❖ Sunday❖

Substitution or estimates for 'Like Day' to be as detailed above, unless:	
◆	No readings are available on the first listed day, then the next listed preferred day is to be used.
◆	The day was a public holiday, in which case the most recent Sunday is to be used.
◆	The day was not a public holiday and the 'Like Day' is a public holiday, in which case the 'Like Day' to be used must be the most recent day that is not a public holiday, Saturday or Sunday.
❖❖	Occurring in the same week as the day in the previous year.
❖	Occurring in the week preceding that in which the substitution day occurs in the previous year.

### 5.3 Type 3

The *distributor* may substitute or estimate the *metering data* using the data from the "Nearest Equivalent Day" or "Like Day" from previous *meter* readings. The "Nearest Equivalent Day" or "Like Day" is determined from the table below.

Day	"Nearest Equivalent Day" or "Like Day" (in order of availability)
Monday	Monday❖❖
Tuesday	Wednesday❖❖ Thursday❖❖
Wednesday	Wednesday❖❖ Tuesday❖ Thursday❖❖ Tuesday❖❖
Thursday	Thursday❖❖ Wednesday❖ Tuesday❖ Wednesday❖❖ Tuesday❖❖
Friday	Friday❖❖
Saturday	Saturday❖❖
Sunday	Sunday❖❖

## Appendix 5: Gas Metering Code

Substitution or estimations for 'Like Day' to be as detailed above, unless:	
◆	No readings are available on the first listed day, then the next listed preferred day is to be used.
◆	The day was a public holiday, in which case the most recent Sunday is to be used.
◆	The day was not a public holiday but the preferred day is a public holiday, in which case the 'Like Day' to be used must be the most recent preferred day that is not a public holiday.
❖❖	Occurring in the week preceding that in which the estimation day occurs.
❖	Occurring in the same week as the estimation day.

### 5.4 Type 4

Previously used substituted *metering data* can be changed, prior to the *actual meter reading*, where the *retailer* has agreed, on the basis of site- or *customer*-specific information that the original substituted *metering data* is in error and a correction is required.

### 5.5 Type 5

Substituted *metering data* can be created using simple linear interpolation where the *retailer* has agreed.

### 5.6 Type 6

- (a) The *retailer* may agree to use another method of substitution (which may be a modification of an existing Type) where none of the existing Types is applicable.
- (b) The specifics of this Type may involve a globally applied method or a site-specific method.

### 5.7 Type 7

Prior to the first *actual meter reading*, the *metering data* may be substituted using a method agreed between the *retailer* and the *distributor*.

### 5.8 Type 8

Where the measurement error has arisen from errors in the *gas* temperature and/or *meter* pressure, the *metering data* may be substituted using the *meter* reading and the estimates for the *gas* temperature and/or *meter* pressure.

# Appendix 5: Gas Metering Code

## Schedule 2 – Validation, Substitution and Estimation – Basic Metering Installation

### 1. Requirement to validate meter readings

*Actual meter readings* will be required to be validated in accordance with clause 4.4.2(a) of this industry code. The validation rules that may be applied to the *metering data* from the *meter* of a *basic metering installation* are:

- (a) *Meter* read value is numeric and  $\geq 0$ ;
- (b) *Meter* read value is  $\geq$  previous *meter* read value;
- (c) *Meter* read value passes high/low test;
- (d) *Meter* read date  $>$  previous *meter* read date;
- (e) Null checks;
- (f) Dial capacity and decimal point check; and
- (g) *Metering data* is consistent with the correct *meter* type for that *delivery point*.

### 2. Requirement to produce substituted metering data

In accordance with clause 4.4.2(b) of this industry code, *metering data* for a *basic metering installation* will be required to be substituted where:

- (a) the *actual meter reading* fails the validation tests;
- (b) there is a failure of the *metering installation*;
- (c) an inspection or test on the *metering installation* establishes that a measurement error
- (d) exists; or
- (e) an *estimated read* is permitted under Energy Customer Transfer and Consent Code and is required to transfer a *customer* to a new *retailer*.

### 3. Requirements to produce estimated metering data

In accordance with clause 4.5 of this industry code, *metering data* for a *basic metering installation* will be required to be estimated where the *metering data* cannot be obtained in the timeframe required for settlement of the market.

### 4. Distributor Obligations

- (a) The *distributor* may use Types 1, 2, 3, 4, 5 or 6, techniques in accordance with clause 5 of this schedule 2, when the *metering data* is required to be substituted.
- (b) The *distributor* may use Types 1, 2, or 3 techniques in accordance with clause 5 of this schedule 2, when the *metering data* is required to be estimated.
- (c) The *distributor* may use Type 6 where there is an error in the *meter* pressure and/or *gas* temperature.

# Appendix 5: Gas Metering Code

- (d) The *distributor* must notify the *retailer* where substituted or estimated *metering data* is used.
- (e) The *distributor* must ensure that for all Types, substituted or estimated *metering data* is based on an *actual meter reading*, and is not based on *metering data* that has previously been substituted or estimated.

## 5. Substitution and Estimation Types

The techniques for substituting and estimating *metering data* for *basic metering installations* are provided in this clause.

### 5.1 Type 1

Substitution or estimation

= Average daily consumption from same, or similar, *meter* read period last year

\* Number of days required to be substituted or estimated.

### 5.2 Type 2

Substitution or estimation

= Average daily consumption from previous *meter* read period

\* Number of days required to be substituted or estimated

Note: Where the *scheduled meter reading* frequency is less frequent than monthly, Type 2 is to be used only when the consumption from the same, or similar, *meter* read period last year is not available.

### 5.3 Type 3

Substitution or estimation

= Average daily consumption for this same *customer* class with the same type of usage

\* Number of *days* required to be substituted or estimated

Note: Type 3 is to be used only when the consumption from the same, or similar, *meter* read period last year and the consumption from the previous *meter* read period are not available.

### 5.4 Type 4

- (a) The *retailer*, and the *distributor* may agree to use another method of substitution (which may be a modification of an existing Type) where none of the existing Types is applicable.
- (b) The specifics of this Type may involve a globally applied method or a site-specific method.

### 5.5 Type 5

Previously used substituted *metering data* can be changed, prior to the next *actual meter reading* where the *retailer* and *distributor* have agreed, on the basis of site- or *customer* specific information, that the original substituted *metering data* is in error and a correction is required.

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### 5.6 Type 6

Where the measurement error has arisen from errors in the *gas* temperature and/or *meter* pressure, the *metering data* may be substituted using the *meter* reading and the estimates for the *gas* temperature and/or *meter* pressure.

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## Appendix 5: Gas Metering Code



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# Appendix 6: Gas Industry Guideline No. 1



 Gas  
**Guideline**



## Gas Industry Guideline No. 1

| [Version: GIG 1.78](#)

| [July 2016 XXXX2020](#)



# Appendix 6: Gas Industry Guideline No. 1

## Enquiries concerning the currency of this Guideline should be addressed to:

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## Amendment Record

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GIG 1/1	23/08/2004	43
GIG 1/2	09/01/2006	43
GIG 1/3	31/03/2007	48
GIG 1/4	05/08/2011	29
GIG 1/5	05/09/2013	25
GIG 1/6	28/02/2014	25
GIG 1.7	01/07/2016	15
<a href="#">GIG 1.8</a>	<a href="#">XX/XX/2020</a>	<a href="#">15</a>

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# Appendix 6: Gas Industry Guideline No. 1

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# Appendix 6: Gas Industry Guideline No. 1

## 1 Introduction

### 1.1 Role of the guideline

- 1.1.1 This guideline provides for the collection, allocation, recording and reporting of business data by **Australian Gas Networks (AGN)** with respect to the operation of the **distribution system** authorised in its **distribution licence** issued under the **Gas Act**.
- 1.1.2 More specifically, the **distribution licence** is subject to conditions which the **Commission** is required under sections 25 and 26 of the **Gas Act** to include:
- (a) requiring **AGN** to comply with specified technical and safety requirements or standards;
  - (b) requiring **AGN** to monitor and report as required by the **Commission** on indicators of service performance determined by the **Commission**;
  - (c) relating to **AGN's** financial or other capacity to continue operations under the licence; and
  - (d) requiring **AGN** to provide, in the manner and form determined by the **Commission**, such other information as the **Commission** may require from time to time.
- 1.1.3 This guideline is divided into two Parts:
- (a) Section 2 sets out general principles of preparation that apply to all information provided by **AGN** to the **Commission** under this guideline; and
  - (b) Section 3 sets out specific requirements in relation to operational performance information provided by **AGN**.
- 1.1.4 The legislative and regulatory framework for the gas supply industry prescribes the objectives and functions of the **Commission**. These are summarised in the **ESC Act** and the **Gas Act**. This guideline has been prepared to assist the **Commission** in achieving those objectives and functions.
- 1.1.5 This guideline is a minimum requirement and the obligation of **AGN** to comply with this guideline is additional to, and does not derogate from, any obligation imposed under any other law applying to **AGN's** business.

### 1.2 Code and licence obligations

- 1.2.1 Clause 7.1 of the **distribution licence** provides that **AGN** must, from time to time, provide the **Commission**, in the manner and form determined by the **Commission**:
- 1.2.2 details of **AGN's** financial, technical and other capacity to continue its operations authorised by its licence; and
- 1.2.3 such other information as the **Commission** may require.
- ~~1.2.4 Clause 7.4 of the distribution licence requires AGN to provide the Commission with an accurate description and specification of the distribution system and its components and must promptly update that definition to reflect material changes to the distribution system or gas infrastructure.~~

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~~1.2.5~~1.2.4The **distribution licence** requires **AGN** to comply with any safety or technical requirements imposed from time to time by the **Technical Regulator**.

~~1.2.6~~1.2.5Clause 1.7 of the **Gas Distribution Code** requires **AGN** to report to the **Commission** by 31 August each year, on matters relating to service standards during the 12 month period ending 30 June of that year. **AGN** must:

- (a) report on its compliance with the service standards set out in clauses 2.1 and 2.4 of the **Gas Distribution Code**;
- (b) provide an explanation of the reason for any non-compliance; and
- (c) report on how **AGN** will improve its performance so as to meet the service standards set out in clauses 2.1, and 2.4 of the **Gas Distribution Code**, as required.

## 1.3 Confidentiality

1.3.1 The confidentiality provisions set out in Part 5 of the **ESC Act** ("Collection and Use of Information") will apply to any information collected by the **Commission** in accordance with this guideline.

## 1.4 Processes for revision

1.4.1 The **Commission** may, at its absolute discretion, amend and expand this guideline from time to time where it is necessary to meet the needs of **AGN**, other stakeholders or the **Commission**.

1.4.2 Before making any material amendments to the information requirements contained in this guideline, the **Commission** will undertake appropriate consultation with **AGN** and other stakeholders as necessary in accordance with the **Commission's** Charter of Consultation and Regulatory Practice. If the amendments are of a routine nature, or required by law, the **Commission** may modify this guideline without consultation.

1.4.3 For all amendments to this guideline, a commencement date will be nominated on the Amendment Record located on the inside front page of this guideline. The **Commission** will generally give **AGN** not less than 45 days prior notice of the commencement of any significant amendments to this guideline.

## 1.5 Input from interested parties

1.5.1 The **Commission** welcomes comments, discussion, or suggestions for amendments to this guideline from any interested party. Any contribution in this regard should be addressed to:

### Gas Industry Guideline No. 1

Essential Services Commission of South Australia  
GPO Box 2605  
Adelaide SA 5001  
E-mail: [escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au)

# Appendix 6: Gas Industry Guideline No. 1

## 2 Information requirements

### 2.1 Introduction

- 2.1.1 This section sets out:
- (a) the **Commission's** requirements for non-financial performance monitoring information;
  - (b) requirements of the **Technical Regulator** for certain information; and
  - (c) requirements necessary to put into effect the principles set out in this guideline.
- 2.1.2 The general purpose of this information is to assist the **Commission**, and the **Technical Regulator** as appropriate to:
- (a) monitor and enforce compliance with and promote improvement in, standards and conditions of service under the **Gas Distribution Code** and other regulatory documents;
  - (b) promote the achievement of the **Commission's** objectives as specified in the **ESC Act**; and
  - (c) monitor and enforce compliance with safety and technical standards.

### 2.2 Use of proformas to report information

- 2.2.1 The proformas in Section 3 set out the categories of statistical information that have been identified by the **Commission** and the **Technical Regulator** and set out the basis upon which this information is to be reported by **AGN**.
- 2.2.2 The proformas specify how and when information is to be reported to the **Commission**, including general guidance notes where relevant.
- 2.2.3 Clause 2.4 details the **Commission's** timing requirements for the provision of reports to the **Commission** by **AGN**.
- 2.2.4 Where the **Commission** needs to change the nature, context or scope of routine information it requires **AGN** to provide, it will provide amended proformas in Section 3.

### 2.3 Additional performance measures

- 2.3.1 The **Commission** may from time to time require additional performance measures to be reported by **AGN** outside of those specified in the proformas in Section 3.
- 2.3.2 When seeking such information, the **Commission** will provide **AGN** with a notice in writing setting out:
- (a) the **Commission's** information requirements;
  - (b) the scope of any quality assurance that may be required; and
  - (c) the time by which the information is to be provided.

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- 2.3.3 Where the Commission requires additional routine information, the Commission will provide additional proformas in Section 3.

## 2.4 Timing of reports

- 2.4.1 Information required to be submitted on an annual basis under this guideline must be forwarded by AGN to the Commission by 31 August for the 12 month period ending on the previous 30 June.
- 2.4.2 Information required to be submitted on a recurring basis at intervals more frequently than annually, is to be submitted no later than one calendar month from the end of the period for which the information has been requested.

## 2.5 Responsibility statement

- 2.5.1 **AGN** will be required to provide a **responsibility statement** (in the form specified in OP 5) evidencing responsibility for information provided to the **Commission**.

- 2.5.2 The annual responsibility statement must be signed and dated by:

- (a) the Chief Executive Officer;
- (b) a person holding the equivalent position to Chief Executive Officer;
- (c) a person to whom the Board of **AGN** has formally delegated the exercise of the power and functions of **AGN** at a level equivalent to that held by a Chief Executive Officer; or
- (d) the person acting as Chief Executive Officer or equivalent position during an absence of the substantive office-holder.

- 2.5.3 A quarterly responsibility statement may be signed and dated:

- (a) in accordance with clause 2.5.2; or
- (b) a senior officer other than the Chief Executive Officer, as agreed in writing with the **Commission**.

- 2.5.4 A responsibility statement will be taken as evidence that the data provided by **AGN** has been verified, is accurate and can be relied upon by the **Commission** in furtherance of the **Commission's** statutory objectives.

## 2.6 Quality assurance requirements

- 2.6.1 Except as expressly otherwise provided for in this guideline or by the **Commission**, all data provided to the **Commission** under this guideline must present a true and accurate representation of relevant circumstances, transactions or events as at the final day of a relevant reporting period.

- 2.6.2 Clause 6 of **AGN's distribution licence** provides that:

- (a) **AGN** must undertake periodic audits of the operations authorised by its **distribution licence** and of its compliance with its obligations under its **distribution licence** and any applicable **industry codes** in accordance with the requirements of any applicable guideline issued by the **Commission** for this purpose;

## Appendix 6: Gas Industry Guideline No. 1

- (b) the **Commission** may require that the audits be undertaken by an independent expert or auditors nominated by **AGN** and approved by the **Commission**; and
  - (c) the results of the audits must be reported to the **Commission** in a manner approved by the **Commission**.
- 2.6.3 Where the **Commission** requires independent assurance on any information submitted under this guideline, the **Commission** will give written notice to **AGN** specifying the required scope of independent assurance and the time by which that assurance is to be provided.
- 2.6.4 Where independent assurance is required, **AGN** must submit a report to the **Commission** in the form of an **agreed-upon procedures report** unless the **Commission** notifies **AGN** in writing of a requirement for another form of report.
- 2.6.5 Independent assurance that is to be obtained by the **Commission** under this guideline should be consistent with the requirements, where relevant, of Energy Industry Guideline No. 4 "Compliance Systems and Reporting".
- 2.6.6 For the purposes of this guideline, substance is to prevail over legal form, which means that:
  - (a) **regulatory reporting statements** must report the substance of transactions and events; and
  - (b) where substance and form differ, the substance rather than the legal form of a transaction or event must be reported.
- 2.6.7 **AGN** must maintain reporting and record-keeping arrangements which ensure that information provided in the **regulatory reporting statements** can be verified by the **Commission**.

### 2.7 Information requirements of the Technical Regulator

- 2.7.1 The **Technical Regulator** also requires certain recurrent information in order to fulfil its objectives and functions. In preparing this guideline and the proformas set out in Section 3, the **Commission** has sought to co-ordinate reporting processes and minimise any overlap between the reporting requirements of the **Commission** and those of the **Technical Regulator**.

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## 3 Operational performance proformas

### 3.1 Index of proformas – recurring information requirements

PROFORMA REFERENCE	PERFORMANCE MEASURE
<i>Service level measures</i>	
OP 1	Responsiveness of the Leaks and Emergencies telephone number
OP 2	Responsiveness to public reporting of gas leaks
OP 3	Customer interruptions
<i>Other</i>	
OP 4	Statistical Information
OP 5	Responsibility Statement

NB:

Words and phrases presented in the proformas in bold like **this** are phrases that have been carefully defined to have a specific meaning. The glossary to this guideline provides the corresponding definitions.

### 3.2 Operational information requirements – checklist

Recurring information requirements

PROFORMA REFERENCE	FREQUENCY	NATURE AND SCOPE OF ANY INDEPENDENT ASSURANCE	NATURE AND REQUIRED SIGNATORY OF RESPONSIBILITY STATEMENTS
OP 1	Quarterly		Chief Executive
OP 2	Quarterly		Chief Executive
OP 3	Quarterly		Chief Executive
OP 4	Annually		Chief Executive
OP 5	Annually		Chief Executive

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## 3.3 Proforma OP 1. – Responsiveness of the Leaks and Emergencies telephone number

Quarter ending: \_\_\_\_\_

METRIC	Sept Qtr	Dec Qtr	Mar Qtr	June Qtr
Total number of calls received on the Leaks and Emergencies number				
Total number of calls to the Leaks and Emergencies number answered within 30 seconds				
Percentage of calls to the Leaks and Emergencies number answered within 30 seconds				
Average answer time for calls to the Leaks and Emergencies number				

## 3.4 Proforma OP 12. – Responsiveness to public reporting of gas leaks

METRIC	Sept Qtr	Dec Qtr	Mar Qtr	June Qtr
Total number of potential <b>gas</b> leaks reported by the public				
Total number of high-priority <sup>1</sup> <b>gas</b> leaks reported by the public				
Total number of other <sup>2</sup> <b>gas</b> leaks reported by the public				
Percentage of <b>gas</b> leaks reports by the public repaired within the timeframes in <b>AGN's</b> Leakage Management Plan				
Total number of publicly reported potential <b>gas</b> leaks attended where no leak was found				

## 3.5 Proforma OP 23. – Customer interruptions

METRIC	Sept Qtr	Dec Qtr	Mar Qtr	June Qtr
Number of <b>customers</b> experiencing multiple interruptions within a year <sup>3</sup>				
Number of <b>customers</b> experiencing long duration interruptions <sup>4,5</sup>				

<sup>1</sup> High priority leaks are Class 1 leaks in accordance with AGN's Leakage Management Plan.

<sup>2</sup> Other leaks are all other leaks reported to AGN where a leak is found but assessed not to be a Class 1 Leak.

<sup>3</sup> The number of customers that have two or more interruptions within a year where the interruption is unplanned and caused by operator actions, third party damage or asset condition.

<sup>4</sup> The number of events within a year where a gas supply interruption is not restored within 12 hours and the interruption is unplanned, caused by operator actions, third party damage or asset condition.

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## 3.6 Proforma OP 34. – Statistical information

Year ending: 30 June

(a) Quantity of **gas** entering the **distribution system** from each source:

TRANSMISSION PIPELINE	QUANTITY
Moomba	
South-East	
SEA Gas	
Farm taps	
TOTAL	

(b) Size of each separate distribution network:

NETWORK AREA	LENGTH OF GAS PIPE (km)		
	Distribution Mains	Transmission Pressure Mains	Total
Metropolitan (including Waterloo Corner, Two Wells, Virginia)			
Angaston			
Berri			
Freeling			
Mt Gambier			
Murray Bridge			
Nuriootpa			
Peterborough			
Pt Pirie			
Snuggery			
Whyalla			
TOTAL			

(c) Quantity of **gas** distributed to **customers**:

CUSTOMER TYPE	GAS DELIVERED (TJ)
Domestic, Industrial and Commercial less than 10 TJ	
Industrial and Commercial greater than or equal to 10 TJ	
Farm taps	
TOTAL	

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(d) Number of **customers** connected to the **distribution system** as at the last day of the reporting period:

CUSTOMER TYPE	NUMBER
Domestic, Industrial and Commercial less than 10 TJ	
Industrial and Commercial greater than or equal to 10 TJ	
Farm taps	
TOTAL	

### 3.7 Proforma OP 45. – Responsibility statement

In my opinion:

the information contained in the attached Regulatory Report set out on pages [x] to [y] is drawn up so as to present fairly in accordance with the requirements of the Gas Industry Guideline No. 1 ("the Guideline") issued by the Essential Services Commission of South Australia, dated [version date].

The terms and definitions used in this statement accord with the definitions set out in the guideline referred to above.

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

-----  
*[Name of required signatory]*

# Appendix 6: Gas Industry Guideline No. 1

## Schedule 1 – Definitions

In this guideline:

**Agreed-upon Procedures Report** means an agreed-upon procedure engagement report, prepared in accordance with Australian Auditing Standards AUS904. The objective is for the Auditor to carry out procedures of an audit nature specified by the **Commission** and to report on factual findings.

**Australian Gas Networks** or **AGN** means Australian Gas Networks Limited (ACN 078 551 685).

**Commission** has the meaning given to that term under the **ESC Act**.

**Customer** has the meaning given to that term in the **Gas Act**, namely a person who has a supply of **gas** available from a system for consumption by that person, and includes:

- (a) the occupier for the time being of a place to which **gas** is supplied by a **distribution system**; and
- (b) where the context requires, a person seeking a supply of **gas** from a **distribution system**; and
- (c) a person of a class declared by regulation to be **customers**.

~~Delivery Point means a point on a distribution system at which gas is withdrawn from the distribution system for delivery to a customer and which is normally located at:~~

- ~~(a) the inlet of a gas installation of a customer; or~~
- ~~(b) the outlet of a meter.~~

**Distribution Licence** means a licence to operate a **distribution system** granted under Part 3 of the **Gas Act**.

**Distribution System** has the meaning given to that term in the **Gas Act**.

**ESC Act** means the Essential Services Commission Act 2002.

~~Gas has the meaning given to that term in the Gas Act. (i.e. a fuel consisting of hydrocarbons or predominantly of hydrocarbons that is in a gaseous or vapour form when it is at the pressure and temperature of its normal pipeline transportation and utilisation conditions, but does not include anything declared by regulation not to be gas).~~

**Gas Act** means the Gas Act 1997.

**Gas Distribution Code** means the **Industry Code** of that name issued by the **Commission** under section 28 of the **ESC Act**.

~~Gas Installation has the meaning given to that term in the Gas Act.~~

**Industry Codes** means any code applicable to **AGN** made pursuant to section 28 of the **ESC Act**, and includes the Gas Metering Code and **Gas Distribution Code**.

~~Receipt point means a point on a distribution system where gas is injected into the distribution system.~~

**Regulatory Reporting Statements** means any regulatory reports prepared by **AGN** and submitted to the **Commission** in accordance with this guideline.

**Responsibility Statement** means statement signed and dated by the Chief Executive Officer of **AGN** evidencing responsibility for information provided to the **Commission**.

**Technical Regulator** means the person holding the office of Technical Regulator under Part 2 of the **Gas Act**.

## Schedule 2 – Interpretation

In this guideline, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this guideline;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, trust, joint venture, association, corporation or other body corporate and any governmental agency;
- (e) a reference to a person includes that person's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and permitted assigns;
- (f) a reference to any statute, regulation, proclamation, order in council, ordinance or bylaw includes all statutes, regulations, proclamations, orders in council, ordinances or by-laws varying, consolidating, re-enacting, extending or replacing them and a reference to a statute includes all regulations, proclamations, orders in council, ordinances, by-laws and determinations issued under that statute;
- (g) a reference to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, that document or that provision of that document;
- (h) an event which is required under this code to occur on or by a stipulated day which is not a business day may occur on or by the next business day.

DRAFT FOR CONSULTATION

# Appendix 6: Gas Industry Guideline No. 1



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