

## **Australian Gas Networks (Albury) Ltd<sup>2</sup> ACN 000 001 249**

### **Details of authorisation**

Gas Reticulator's Authorisation under the *Gas Supply Act 1996*.

### **Details concerning the conditions imposed by the Minister**

Refer to the authorisation.

### **Determinations made by the Minister with respect to authorisations and their conditions**

#### **18 July 1990**

Authorisation granted to Albury Gas Company Limited<sup>3</sup>, under the former Gas Act 1986, to supply gas only within the Albury area part of the Albury-Wodonga Area as constituted by the Albury-Wodonga Development Act 1974.

#### **12 February 1996**

Variation to the conditions of a gas reticulator's authorisation. Supply limited to the local government areas of City of Albury, Shires of Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie and Murray.

#### **24 December 1999**

Variation to the conditions of a gas reticulator's authorisation to add new conditions 17-20 "Network Code".

#### **31 July 2000**

Variation to the conditions of a gas reticulator's authorisation to amend conditions 17-20 "Network Code".

#### **23 March 2001**

Variation to the conditions of a gas reticulator's authorisation to add new condition 21 "Requirement to participate in an Approved Scheme to support full competition in the gas retail market in New South Wales"; plus additional definitions in condition 22.

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<sup>2</sup> Australian Gas Networks (Albury) Ltd was formerly Albury Gas Co Ltd until 9 January 2015.

<sup>3</sup> The Albury Gas Company was subsequently purchased by Envestra Limited in March 1999. The reticulator's authorisation is still held in the name of the Albury Gas Company Limited.

### **31 July 2001**

Variation to the condition of a gas reticulator's authorisation to amend condition 16 "Supply to New Areas".

### **6 September 2001**

Variation to the conditions of a gas reticulator's authorisation to add new condition 22 "Retail Market Business Systems"; plus additional definitions in condition 1.

### **21 December 2001**

Variation to the conditions of a gas reticulator's authorisation to remove conditions 4, 5, 6, 7, 8 and 15.

### **20 August 2002**

Variation to the conditions of a gas reticulator's authorisation to add a new condition: 23 "Audit of Compliance with FRC obligations".

### **1 August 2004**

Variation to the conditions of a gas reticulator's authorisation to standardise conditions, remove redundant conditions and simplify reporting arrangements.

### **9 January 2015**

The Minister for Resources and Energy approved:

- ▼ the addition of Central Ranges Pipeline Pty Ltd and its distribution districts to the Standardised authorisation.
- ▼ changes to reflect corporate name changes from 'The Albury Gas Co Ltd' to 'Australian Gas Networks (Albury) Ltd', and from 'Envestra (NSW) Pty Ltd' to 'Australian Gas Networks (NSW) Pty Ltd'.
- ▼ the Wesfarmers Kleenheat Gas Pty Ltd authorisation be cancelled.



**The Hon Anthony Roberts MP**  
Minister for Resources and Energy  
Special Minister of State

13/432, 10/559

Mr Des Petherick  
Acting Chief Executive Officer  
Australian Gas Networks Ltd  
Level 10, 81 Flinders Street  
Adelaide SA 5000 Australia

Dear Mr Petherick

I refer to Australian Gas Networks Ltd's (formerly Envestra Limited) request to make changes to its two natural gas reticulator's authorisations under the *Gas Supply Act 1996* as part of its rebranding exercise. I am pleased to advise that I approve the changes as requested to the natural gas reticulator authorisations as follows:

- ▼ change of name from Albury Gas Company to Australian Gas Networks (Albury) Ltd
- ▼ change of name from Envestra (NSW) Pty Ltd to Australian Gas Networks (NSW) Pty Ltd.

If you have any questions or would like to discuss this further, please do not hesitate to contact Nicole Ikenberg on (02) 9113 7732 or [nicole\\_ikenberg@ipart.nsw.gov.au](mailto:nicole_ikenberg@ipart.nsw.gov.au).

Yours sincerely

Anthony Roberts MP  
**Minister for Resources and Energy**  
**Special Minister of State**

Encl. Standardised natural gas reticulator's authorisation

26 FEB 2015







**NEW SOUTH WALES  
GOVERNMENT**

**GAS SUPPLY ACT 1996**

**RETICULATOR'S AUTHORISATION**

# SCHEDULE

## Reticulator's Authorisation

### Conditions Imposed by the Minister under s 11(1) (b) of the *Gas Supply Act 1996*

#### 1 Application

This *reticulator's authorisation* is subject to these *Conditions*. The *distribution district* of an individual *reticulator* to which this *reticulator's authorisation* extends is listed in the Attachment to these *Conditions*.

#### 2 Cessation of operations

A *reticulator* must, where practicable, give the *Tribunal* at least 3 months prior written notice of its intention to cease operating the whole or any substantial part of a *distribution pipeline* specified in its *reticulator's authorisation*.

#### 3 Compliance with Network Code

- 3.1 Where a *reticulator's distribution pipeline* is a *designated distribution pipeline*, the *reticulator* must develop, adopt and comply with a *Network Code* for its *distribution pipeline*.
- 3.2 Where the *reticulator* has not previously operated within the NSW *gas* market, the obligation under clause 3.1 will apply when the *reticulator* commences to convey *gas* through its *distribution pipeline*.
- 3.3 The *reticulator* must notify the *Director-General* and the *Tribunal* of any amendment to the *Network Code* proposed by the *reticulator* or by an *authorised supplier*. The *reticulator* must seek submissions on the proposed amendment from *authorised suppliers* in accordance with any guidelines notified by the *Director-General*. The *reticulator* must notify all *authorised suppliers* in NSW, the *Director-General*, and the *Tribunal* of any amendments made to the *Network Code* adopted by the *reticulator*.
- 3.4 The *reticulator* must make a copy of the *Network Code* adopted by the *reticulator* available to any person on request for a reasonable charge to cover the costs of providing the copy.

#### 4 Condition removed 24 June 2009 by notice published in Government Gazette No. 93 on 26 June 2009

## 5 Insurances and indemnity

- 5.1 A *reticulator* must maintain with a reputable insurance company, workers compensation insurance, public liability insurance and other insurances which it is necessary or prudent for it to maintain covering liability for it, its employees and agents for any loss or damage to property or for death or personal injury to any person for an amount which in all the circumstances is reasonable or for an amount which the *Minister* may from time to time specify.
- 5.2 A *reticulator* must produce to the *Minister* and the *Tribunal* on request satisfactory evidence that such insurance is in force.
- 5.3 A *reticulator* must not do or fail to do anything that would have the effect of avoiding the policy of insurance.
- 5.4 The *reticulator* must indemnify the *Minister* and the *Tribunal* and shall keep them indemnified against loss or damage, (including legal costs on an indemnity basis and the cost of rectifying any breach by the *reticulator* of the *Act* or its *reticulator's* *authorisation*) which they may jointly or severally sustain arising from any of the following:
- (a) the *reticulator's* failure to comply with the *reticulator's* *authorisation*;
  - (b) any negligent act or omission of the *reticulator*, its employees or agents.

## 6 Audit of compliance with conditions

- 6.1 To enable the *Minister* or an auditor appointed by the *Minister* to audit compliance by the *reticulator* with,
- (a) the *reticulator's* *FRC* obligations; or
  - (b) the *reticulator's* procedures and systems for ensuring compliance with *FRC* obligations,
- the *reticulator* must provide the *Minister* or the auditor with:
- (c) access to its premises and personnel;
  - (d) access to its records in whatever form they may be stored;
  - (e) such information about its records as may be requested for the conduct of the audit; and
  - (f) such assistance and co-operation as may reasonably be required for the conduct of the audit.
- 6.2 The *reticulator* must pay as directed by the *Minister* the costs of any audit conducted under this condition.

## 7 Compliance management systems

The *reticulator* must develop and maintain internal systems capable of effectively managing compliance with its *reticulator's* *authorisation*.

## 8 Compliance with statistical reporting obligations

A *reticulator* must provide the *Minister* or the *Minister's* nominee such operating statistics and performance indicators as may be requested from time to time by the *Minister* or the *Minister's* nominee. The *Minister* or the *Minister's* nominee will provide the *reticulator* with reasons for its request when the initial request is made and after that when a request relates to operating statistics and performance indicators that are of materially different type or category to that provided under the initial or a subsequent request.

## 9 Definitions and Interpretation

### Definitions

9.1 In these *Conditions*, the following expressions have the meaning given to them:

<b>Act</b>	<i>Gas Supply Act 1996 (NSW)</i> .
<b>approved scheme</b>	A scheme, approved by the <i>Minister</i> , to develop, administer and implement appropriate <i>business rules</i> and <i>retail market business systems</i> to support full competition in the gas retail market in New South Wales.
<b>business rules</b>	The rules of an entity, established under an <i>approved scheme</i> , governing the operation of <i>retail market business systems</i> .
<b>conditions</b>	These <i>conditions</i> made by the Minister under s 11 (1) (b) of the Act, expressed in this document as clauses.
<b>designated distribution pipeline</b>	A <i>distribution pipeline</i> specified by the <i>Minister</i> as a designated <i>distribution pipeline</i> by publication in the NSW Government Gazette.
<b>Director-General</b>	The <i>Director-General</i> of the Ministry of Energy and Utilities.
<b>FRC obligations</b>	Those obligations of a <i>reticulator</i> which the Minister considers are obligations that relate to full competition in the retail market for <i>gas</i> in New South Wales and includes those which the <i>Minister</i> considers arise under the <i>Act</i> , the <i>Gas Supply (Natural Gas Retail Competition) Regulation 2001</i> and conditions imposed by the <i>Minister</i> .
<b>gas</b>	Natural gas.
<b>Minister</b>	The <i>Minister</i> responsible for administering the <i>Act</i> .
<b>Network Code</b>	A Code developed by the <i>reticulator</i> in accordance with guidelines approved by the Director General, on 20 December 2001 (as amended) that documents the <i>reticulator's</i> policies, practices and procedures with respect to the provision of services to gas suppliers, which are necessary to facilitate the operation of a competitive retail market.
<b>premises</b>	Includes a building or part of a building, a structure or part of a structure and land (whether built on or not).
<b>retail market business systems</b>	Has the meaning given to that term in section 33J of the <i>Gas Supply Act 1996</i> .

9.2 In these *Conditions*, the following expressions have the same meaning as in the Dictionary of the Act:

**authorised supplier**  
**distribution district**  
**distribution pipeline**  
**reticulator**  
**reticulator's authorisation**  
**supplier**  
**supplier's authorisation**  
**Tribunal**

## Interpretation

9.3 Wherever these *Conditions* require the *reticulator* to perform any obligation within a specified time, and that time has expired without the obligation being performed, the expiry of the time will not excuse the *reticulator* from performing the obligation.

9.4 In these *Conditions*:

- (a) the singular includes the plural and vice versa;
- (b) headings are used for convenience only and do not affect the interpretation of these *authorisation* conditions;
- (c) a reference to a document, instrument or law includes any amendments, revisions, renewals, replacements or reprints from time to time;
- (d) a person includes an individual, body corporate, an unincorporated body or other entity;
- (e) the law includes legislation, regulations, licences, orders, codes, permits and directions;
- (f) italicised expressions are defined in clause 9.1, or defined by reference in clause 9.2;
- (g) where a word is defined, any other grammatical form of that word has a corresponding meaning;
- (h) a financial year means a year commencing on 1 July and ending on 30 June in the subsequent calendar year.

## ATTACHMENT

### Reticulators' Distribution districts

Each reticulator listed in this Attachment has a distribution district comprising the local government areas, or parts of local government areas, corresponding to that reticulator in this Attachment.

Name of Reticulator	Distribution district
ActewAGL Distribution Limited (ACN 073 025 224) and AGL Gas Company (ACT) Limited (ACN 008 552 663) as partners in the partnership styled <i>ActewAGL Distribution</i>	Eastern Capital City Regional, Greater Queanbeyan, Shoalhaven, Tumut
Jemena Gas Networks (ACN 003 004 322)	Ashfield, Auburn, Bankstown, Bathurst, Baulkham Hills, Berrigan, Blacktown, Bland, Blayney, Blue Mountains, Bombala, Boorowa, Botany, Burwood, Cabonne, Camden, Campbelltown, Canada Bay, Canterbury, Cessnock, Conargo, Coolah, Coolamon, Coonabarabran, Cooma-Monaro, Cootamundra, Corowa, Cowra, Culcairn, Deniliquin, Dubbo, Eastern Capital City Regional, Evans, Fairfield, Forbes, Gilgandra, Gosford, Greater Argyle, Greater Queanbeyan, Lithgow, Griffith, Gundagai, Gunnedah, Harden, Hawkesbury, Holbrook, Holroyd, Hornsby, Hume, Hunters Hill, Hurstville, Jerilderie, Junee, Kiama, Kogarah, Ku-ring-gai, Lake Macquarie, Lane Cove, Leeton, Leichhardt, Liverpool, Maitland, Manly, Marrickville, Moree Plains, Mosman, Mudgee, Murray, Muswellbrook, Narrabri, Narrandera, Narromine, Newcastle, North Sydney, Oberon, Orange, Parkes, Parramatta, Parry, Penrith, Pittwater, Port Stephens, Quirindi, Randwick, Rockdale, Ryde, Shellharbour, Shoalhaven, Singleton, Snowy River, Strathfield, Sutherland, Sydney, Tamworth, Temora, Tumut, Upper Lachlan, Warringah, Waverley, Weddin, Wellington, Willoughby, Wingecarribee, Wollondilly, Wollongong, Woollahra, Wyong, Yass Valley, Young
Australian Gas Networks (Albury) Ltd (ACN 000 001 249)	Albury, Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie, Murray
Allgas Energy Ltd (ACN 009 656 446)	Tweed, Narrabri
Australian Gas Networks (NSW) Pty Ltd (ACN 083 199 839)	Bombala, Cooma-Monaro, Cootamundra, Culcairn, Gundagai, Holbrook, Junee, Lockhart, Temora, Tumut, Wagga Wagga
Central Ranges Pipeline Pty Ltd (ACN 108 218 355)	Dubbo City Council, Gilgandra Shire Council, Gunnedah Shire Council, Liverpool Plains Shire Council, Mid-Western Regional Council, Tamworth Regional Council, Warrumbungle Shire Council

## Department of Water and Energy

### WATER ACT 1912

APPLICATIONS for licences under section 10 of Part 2 of the Water Act 1912, have been received as follows:

William Michael NEVILLE and Heather Nancy NEVILLE for a pump on the Goulburn River, on part Lot 156, DP 753767, Parish Arndell, County Hunter, for irrigation of 6 hectares (split of existing entitlement) (Reference: 20SL061793).

William Michael NEVILLE and Heather Nancy NEVILLE for a pump on the Goulburn River, on an easement within Lot 156, DP 753767, Parish Arndell, County Hunter, for water supply for stock and domestic purposes (to proposed Lot 1, exempt from current 22BA embargo) (Reference: 20SL061795).

William Michael NEVILLE and Heather Nancy NEVILLE for a pump on the Goulburn River, on an easement within Lot 156, DP 753767, Parish Arndell, County Hunter, for water supply for stock and domestic purposes (to proposed Lot 2, exempt from current 22BA embargo) (Reference: 20SL061796).

William Michael NEVILLE and Heather Nancy NEVILLE for a pump on the Goulburn River, on an easement within Lot 156, DP 753767, Parish Arndell, County Hunter, for water supply for stock and domestic purposes (to proposed Lot 3, exempt from current 22BA embargo) (Reference: 20SL061797).

Robert James LLOYD for a pump on Halls Creek, on an easement within Lot 40, DP 750963, Parish Wickham, County Brisbane, for water supply for stock and domestic purposes and irrigation of 7 hectares (split of existing entitlement, exempt from current 22BA embargo) (Reference: 20SL061804).

Written objections to the application specifying grounds thereof must be lodged with the Department of Water and Energy, PO Box 796, Murwillumbah NSW 2484, within 28 days of the date of publication.

D. MILLING,  
Manager,  
Licensing

### WATER ACT 1912

APPLICATION for a licence under Part 5 of the Water Act, 1912, as amended, has been received as follows;

#### *Murrumbidgee Valley*

Jason William MARSH for a bore licence on Lot 145 DP754559, Parish of Mimosa, County of Mitchell for a water supply for irrigation purposes (cereals and pastures). Conversion of a test bore lodged prior to the existing embargo. New Licence. (Ref.40BL192145) Any inquiries regarding the above should be directed to the undersigned on (02) 6953 0700. Written objections, from any local occupier or statutory authority, specifying grounds and how their interests are affected, must be lodged with the Department of Water and Energy, PO Box 156, Leeton NSW 2705, within 28 days of the date of this publication.

S.F. WEBB,  
Licensing Manager

### GAS SUPPLY ACT 1996

#### Section 12

#### Notice Of Variation of Conditions of Supplier's Authorisation

THIS Notice applies to the conditions of Supplier's Authorisation granted by the Minister for Energy on 9 July 2004 under section 11(1)(b) Gas Supply Act 1996. Under section 12 Gas Supply Act 1996 the conditions are varied as follows:

1. Clause 3 (Requirement to participate in an approved scheme) is deleted in its entirety.

All remaining conditions of the Supplier's Authorisation remain in force. This variation shall take effect on the 'changeover date' as defined in the National Gas Law adopted in New South Wales through the National Gas (New South Wales) Act 2008.

Dated at Sydney, this 24th day of June 2009.

IAN MACDONALD, M.L.C.,  
Minister for Energy

### GAS SUPPLY ACT 1996

#### Section 12

#### Notice of Variation of Conditions of Reticulator's Authorisation

THIS Notice applies to the conditions of Reticulator's Authorisation granted by the Minister for Energy on 9 July 2004 under section 11(1)(b) Gas Supply Act 1996. Under section 12 Gas Supply Act 1996 the conditions are varied as follows:

1. Clause 4 (Requirement to participate in an approved scheme) is deleted in its entirety.

All remaining conditions of the Reticulator's Authorisation remain in force. This variation shall take effect on the 'changeover date' as defined in the National Gas Law adopted in New South Wales through the National Gas (New South Wales) Act 2008.

Dated at Sydney, this 24th day of June 2009.

IAN MACDONALD, M.L.C.,  
Minister for Energy

### NATIONAL GAS LAW

#### Schedule 3, Section 67

#### Notice of Allocation Order

PURSUANT to section 67(1) of Schedule 3 of the National Gas Law, I, Ian Macdonald, Minister for Energy, New South Wales make the following Allocation Order with effect on and from the Relevant Date as defined in the Allocation Order.

Dated at Sydney, this 24th day of June 2009.

IAN MACDONALD, M.L.C.,  
Minister for Energy



**NEW SOUTH WALES  
GOVERNMENT**

**GAS SUPPLY ACT 1996**

**RETICULATOR'S AUTHORISATION**



# SCHEDULE

## Reticulator's Authorisation

### Conditions Imposed by the Minister under s 11(1) (b) of the *Gas Supply Act 1996*

#### 1 Application

This *reticulator's authorisation* is subject to these *Conditions*. The *distribution district* of an individual *reticulator* to which this *reticulator's authorisation* extends is listed in the Attachment to these *Conditions*.

#### 2 Cessation of operations

A *reticulator* must, where practicable, give the *Tribunal* at least 3 months prior written notice of its intention to cease operating the whole or any substantial part of a *distribution pipeline* specified in its *reticulator's authorisation*.

#### 3 Compliance with Network Code

3.1 Where a *reticulator's distribution pipeline* is a *designated distribution pipeline*, the *reticulator* must develop, adopt and comply with a *Network Code* for its *distribution pipeline*.

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3.4 The *reticulator* must make a copy of the *Network Code* adopted by the *reticulator* available to any person on request for a reasonable charge to cover the costs of providing the copy.

#### 4 Condition removed 24 June 2009 by notice published in Government Gazette No. 93 on 26 June 2009

## 5 Insurances and indemnity

- 5.1 A *reticulator* must maintain with a reputable insurance company, workers compensation insurance, public liability insurance and other insurances which it is necessary or prudent for it to maintain covering liability for it, its employees and agents for any loss or damage to property or for death or personal injury to any person for an amount which in all the circumstances is reasonable or for an amount which the *Minister* may from time to time specify.
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- (a) the *reticulator's* failure to comply with the *reticulator's* *authorisation*;
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## 6 Audit of compliance with conditions

- 6.1 To enable the *Minister* or an auditor appointed by the *Minister* to audit compliance by the *reticulator* with,
- (a) the *reticulator's* *FRC* obligations; or
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- (c) access to its premises and personnel;
  - (d) access to its records in whatever form they may be stored;
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### Definitions

9.1 In these *Conditions*, the following expressions have the meaning given to them:

<b>Act</b>	<i>Gas Supply Act 1996 (NSW)</i> .
<b>approved scheme</b>	A scheme, approved by the <i>Minister</i> , to develop, administer and implement appropriate <i>business rules</i> and <i>retail market business systems</i> to support full competition in the <i>gas</i> retail market in New South Wales.
<b>business rules</b>	The rules of an entity, established under an <i>approved scheme</i> , governing the operation of <i>retail market business systems</i> .
<b>conditions</b>	These <i>conditions</i> made by the <i>Minister</i> under s 11 (1) (b) of the <i>Act</i> , expressed in this document as clauses.
<b>designated distribution pipeline</b>	A <i>distribution pipeline</i> specified by the <i>Minister</i> as a designated <i>distribution pipeline</i> by publication in the NSW Government Gazette.
<b>Director-General</b>	The <i>Director-General</i> of the Ministry of Energy and Utilities.
<b>FRC obligations</b>	Those obligations of a <i>reticulator</i> which the <i>Minister</i> considers are obligations that relate to full competition in the retail market for <i>gas</i> in New South Wales and includes those which the <i>Minister</i> considers arise under the <i>Act</i> , the <i>Gas Supply (Natural Gas Retail Competition) Regulation 2001</i> and conditions imposed by the <i>Minister</i> .
<b>gas</b>	Natural <i>gas</i>
<b>Minister</b>	The <i>Minister</i> responsible for administering the <i>Act</i> .
<b>Network Code</b>	A Code developed by the <i>reticulator</i> in accordance with guidelines approved by the Director General, on 20 December 2001 (as amended) that documents the <i>reticulator's</i> policies, practices and procedures with respect to the provision of services to gas suppliers, which are necessary to facilitate the operation of a competitive retail market
<b>premises</b>	Includes a building or part of a building, a structure or part of a structure and land (whether built on or not.)
<b>retail market business systems</b>	Has the meaning given to that term in section 33J of the <i>Gas Supply Act 1996</i> .

9.2 In these *Conditions*, the following expressions have the same meaning as in the Dictionary of the Act:

**authorised supplier**  
**distribution district**  
**distribution pipeline**  
**reticulator**  
**reticulator's authorisation**  
**supplier**  
**supplier's authorisation**  
**Tribunal**

## **Interpretation**

9.3 Wherever these *Conditions* require the *reticulator* to perform any obligation within a specified time, and that time has expired without the obligation being performed, the expiry of the time will not excuse the *reticulator* from performing the obligation.

9.4 In these *Conditions*:

- (a) the singular includes the plural and vice versa;
- (b) headings are used for convenience only and do not affect the interpretation of these *authorisation* conditions;
- (c) a reference to a document, instrument or law includes any amendments, revisions, renewals, replacements or reprints from time to time;
- (d) a person includes an individual, body corporate, an unincorporated body or other entity;
- (e) the law includes legislation, regulations, licences, orders, codes, permits and directions;
- (f) italicised expressions are defined in clause 9.1, or defined by reference in clause 9.2
- (g) where a word is defined, any other grammatical form of that word has a corresponding meaning;
- (h) a financial year means a year commencing on 1 July and ending on 30 June in the subsequent calendar year.

# ATTACHMENT

## Reticulators' Distribution districts

Each reticulator listed in this Attachment has a distribution district comprising the local government areas, or parts of local government areas, corresponding to that reticulator in this Attachment.

Name of reticulator	Distribution district
Actew Distribution Limited (ACN 073 025 224) and AGL Gas Company (ACT) Limited (ACN 008 552 663) as partners in the partnership styled <i>ActewAGL Distribution</i>	Eastern Capital City Regional, Greater Queanbeyan, Shoalhaven, Tumut
<i>Jemena Gas Networks</i> (ACN 003 004 322)	Ashfield, Auburn, Bankstown, Bathurst, Baulkham Hills, Berrigan, Blacktown, Bland, Blayney, Blue Mountains, Bombala, Boorowa, Botany, Burwood, Cabonne, Camden, Campbelltown, Canada Bay, Canterbury, Cessnock, Conargo, Coolah, Coolamon, Coonabarabran, Cooma-Monaro, Cootamundra, Corowa, Cowra, Culcairn, Deniliquin, Dubbo, Eastern Capital City Regional, Evans, Fairfield, Forbes, Gilgandra, Gosford, Greater Argyle, Greater Queanbeyan, Lithgow, Griffith, Gundagai, Gunnedah, Harden, Hawkesbury, Holbrook, Holroyd, Hornsby, Hume, Hunters Hill, Hurstville, Jerilderie, Junee, Kiama, Kogarah, Ku-ring-gai, Lake Macquarie, Lane Cove, Leeton, Leichhardt, Liverpool, Maitland, Manly, Marrickville, Moree Plains, Mosman, Mudgee, Murray, Muswellbrook, Narrabri, Narrandera, Narromine, Newcastle, North Sydney, Oberon, Orange, Parkes, Parramatta, Parry, Penrith, Pittwater, Port Stephens, Quirindi, Randwick, Rockdale, Ryde, Shellharbour, Shoalhaven, Singleton, Snowy River, Strathfield, Sutherland, Sydney, Tamworth, Temora, Tumut, Upper Lachlan, Warringah, Waverley, Weddin, Wellington, Willoughby, Wingecarribee, Wollondilly, Wollongong, Woollahra, Wyong, Yass Valley, Young
<i>Albury Gas Company</i> (ACN 000 001 249)	Albury, Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie, Murray
<i>Allgas Energy Ltd</i> (ACN 009 656 446)	Tweed, Narrabri
<i>Country Energy Gas Pty Limited</i> (ACN 083 199 839)	Bombala, Cooma-Monaro, Cootamundra, Culcairn, Gundagai, Holbrook, Junee, Lockhart, Temora, Tumut, Wagga Wagga
<i>Wesfarmers Kleenheat Gas Pty Limited</i> (ACN 008 679 543)	Armidale Dumaresq



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INDEPENDENT PRICING AND REGULATORY TRIBUNAL  
OF NEW SOUTH WALES

Our reference: 02/240

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23 July 2004

Mr Ian Little  
Managing Director, Envestra Limited  
Albury Gas Company C/- Envestra  
Level 10, 81 Flinders Street  
ADELAIDE SA 5000

Dear Mr Little

**Ministerially-imposed natural gas reticulators' authorisation conditions  
under Section 11(1) (b) of the Gas Supply Act 1996**

In its major licensing report, *Review of Electricity and Gas Licensing Regimes in NSW*, the Tribunal recommended a review of existing Ministerially-imposed gas authorisation conditions to standardise obligations across the industry. (A copy of the report, released in January 2003, is available on the Tribunal's website at [www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au)). Following consultation with stakeholders in 2003, the Tribunal finalised the standard conditions for the Minister's approval. I am now pleased to inform you that the Minister has varied the gas authorisation conditions as recommended by the Tribunal.

The attached schedule replaces your company's existing Ministerially-imposed reticulator authorisation conditions. In standardising these conditions, the Minister has removed redundant conditions and simplified reporting arrangements. The conditions are enforceable from 1 August 2004.

As these conditions are standard across the industry in NSW, they will also be available on the Tribunal's website. If you have any questions on this matter, please contact Gary Drysdale on (02) 9290 8477 or Kumi Cuthbertson on (02) 9290 8479.

Yours sincerely,

James Cox

James Cox  
Acting Chairman



**NEW SOUTH WALES  
GOVERNMENT**

**GAS SUPPLY ACT 1996**

**RETICULATOR'S AUTHORISATION**

## SCHEDULE

### Reticulator's Authorisation

#### Conditions Imposed by the Minister under s 11(1) (b) of the *Gas Supply Act 1996*

#### 1 Application

This *reticulator's authorisation* is subject to these *Conditions*. The *distribution district* of an individual *reticulator* to which this *reticulator's authorisation* extends is listed in the Attachment to these *Conditions*.

#### 2 Cessation of operations

A *reticulator* must, where practicable, give the *Tribunal* at least 3 months prior written notice of its intention to cease operating the whole or any substantial part of a *distribution pipeline* specified in its *reticulator's authorisation*.

#### 3 Compliance with Network Code

- 3.1 Where a *reticulator's distribution pipeline* is a *designated distribution pipeline*, the *reticulator* must develop, adopt and comply with a *Network Code* for its *distribution pipeline*.
- 3.2 Where the *reticulator* has not previously operated within the NSW gas market, the obligation under clause 3.1 will apply when the *reticulator* commences to convey gas through its *distribution pipeline*.
- 3.3 The *reticulator* must notify the *Director-General* and the *Tribunal* of any amendment to the *Network Code* proposed by the *reticulator* or by an *authorised supplier*. The *reticulator* must seek submissions on the proposed amendment from *authorised suppliers* in accordance with any guidelines notified by the *Director-General*. The *reticulator* must notify all *authorised suppliers* in NSW, the *Director-General*, and the *Tribunal* of any amendments made to the *Network Code* adopted by the *reticulator*.
- 3.4 The *reticulator* must make a copy of the *Network Code* adopted by the *reticulator* available to any person on request for a reasonable charge to cover the costs of providing the copy.

#### 4 Requirement to participate in an approved scheme

- 4.1 This condition applies only to a *reticulator* whose *distribution pipeline* specified in that *reticulator's authorisation* is a *designated distribution pipeline*.



- 4.2 A *reticulator* must participate in an *approved scheme*.
- 4.3 The *reticulator* must provide to the *Minister* or the *Minister's* nominee information about the operation of the *approved scheme* as may be required from time to time by the *Minister*.

## 5 Insurances and indemnity

- 5.1 A *reticulator* must maintain with a reputable insurance company, workers compensation insurance, public liability insurance and other insurances which it is necessary or prudent for it to maintain covering liability for it, its employees and agents for any loss or damage to property or for death or personal injury to any person for an amount which in all the circumstances is reasonable or for an amount which the *Minister* may from time to time specify.
- 5.2 A *reticulator* must produce to the *Minister* and the *Tribunal* on request satisfactory evidence that such insurance is in force.
- 5.3 A *reticulator* must not do or fail to do anything that would have the effect of avoiding the policy of insurance.
- 5.4 The *reticulator* must indemnify the *Minister* and the *Tribunal* and shall keep them indemnified against loss or damage, (including legal costs on an indemnity basis and the cost of rectifying any breach by the *reticulator* of the *Act* or its *reticulator's authorisation*) which they may jointly or severally sustain arising from any of the following:
- (a) the *reticulator's* failure to comply with the *reticulator's authorisation*;
  - (b) any negligent act or omission of the *reticulator*, its employees or agents.

## 6 Audit of compliance with conditions

- 6.1 To enable the *Minister* or an auditor appointed by the *Minister* to audit compliance by the *reticulator* with,
- (a) the *reticulator's* FRC obligations; or
  - (b) the *reticulator's* procedures and systems for ensuring compliance with FRC obligations,
- the *reticulator* must provide the *Minister* or the auditor with:
- (c) access to its premises and personnel;
  - (d) access to its records in whatever form they may be stored;
  - (e) such information about its records as may be requested for the conduct of the audit; and
  - (f) such assistance and co-operation as may reasonably be required for the conduct of the audit.
- 6.2 The *reticulator* must pay as directed by the *Minister* the costs of any audit conducted under this condition.

## 7 Compliance management systems

The *reticulator* must develop and maintain internal systems capable of effectively managing compliance with its *reticulator's authorisation*.

## 8 Compliance with statistical reporting obligations

A *reticulator* must provide the *Minister* or the *Minister's* nominee such operating statistics and performance indicators as may be requested from time to time by the *Minister* or the *Minister's* nominee. The *Minister* or the *Minister's* nominee will provide the *reticulator* with reasons for its request when the initial request is made and after that when a request relates to operating statistics and performance indicators that are of materially different type or category to that provided under the initial or a subsequent request.

## 9 Definitions and Interpretation

### Definitions

9.1 In these *Conditions*, the following expressions have the meaning given to them:

<b>Act</b>	<i>Gas Supply Act 1996 (NSW)</i> .
<b>approved scheme</b>	A scheme, approved by the <i>Minister</i> , to develop, administer and implement appropriate <i>business rules</i> and <i>retail market business systems</i> to support full competition in the gas retail market in New South Wales.
<b>business rules</b>	The rules of an entity, established under an <i>approved scheme</i> , governing the operation of <i>retail market business systems</i> .
<b>conditions</b>	These <i>conditions</i> made by the <i>Minister</i> under s 11 (1) (b) of the Act, expressed in this document as clauses.
<b>designated distribution pipeline</b>	A <i>distribution pipeline</i> specified by the <i>Minister</i> as a designated <i>distribution pipeline</i> by publication in the NSW Government Gazette.
<b>Director-General</b>	The <i>Director-General</i> of the Ministry of Energy and Utilities.
<b>FRC obligations</b>	Those obligations of a <i>reticulator</i> which the <i>Minister</i> considers are obligations that relate to full competition in the retail market for gas in New South Wales and includes those which the <i>Minister</i> considers arise under the Act, the <i>Gas Supply (Natural Gas Retail Competition) Regulation 2001</i> and conditions imposed by the <i>Minister</i> .
<b>gas</b>	Natural gas
<b>Minister</b>	The <i>Minister</i> responsible for administering the Act.
<b>Network Code</b>	A Code developed by the <i>reticulator</i> in accordance with guidelines approved by the Director General, on 20 December 2001 (as amended) that documents the <i>reticulator's</i> policies, practices and procedures with respect to the provision of services to gas suppliers, which are necessary to facilitate the operation of a competitive retail

	market
premises	Includes a building or part of a building, a structure or part of a structure and land (whether built on or not.)
retail market business systems	Has the meaning given to that term in section 33J of the <i>Gas Supply Act 1996</i> .

9.2 In these *Conditions*, the following expressions have the same meaning as in the Dictionary of the Act:

authorised supplier  
distribution district  
distribution pipeline  
reticulator  
reticulator's authorisation  
supplier  
supplier's authorisation  
Tribunal

## Interpretation

9.3 Wherever these *Conditions* require the *reticulator* to perform any obligation within a specified time, and that time has expired without the obligation being performed, the expiry of the time will not excuse the *reticulator* from performing the obligation.

9.4 In these *Conditions*:

- (a) the singular includes the plural and vice versa;
- (b) headings are used for convenience only and do not affect the interpretation of these *authorisation* conditions;
- (c) a reference to a document, instrument or law includes any amendments, revisions, renewals, replacements or reprints from time to time;
- (d) a person includes an individual, body corporate, an unincorporated body or other entity;
- (e) the law includes legislation, regulations, licences, orders, codes, permits and directions;
- (f) italicised expressions are defined in clause 9.1, or defined by reference in clause 9.2
- (g) where a word is defined, any other grammatical form of that word has a corresponding meaning;
- (h) a financial year means a year commencing on 1 July and ending on 30 June in the subsequent calendar year.

## ATTACHMENT

### Reticulators' Distribution districts

Each reticulator listed in this Attachment has a distribution district comprising the local government areas, or parts of local government areas, corresponding to that reticulator in this Attachment.

Name of reticulator	Distribution district
Actew Distribution Limited (ACN 073 025 224) and AGL Gas Company (ACT) Limited (ACN 008 552 663) as partners in the partnership styled <i>ActewAGL Distribution</i>	Eastern Capital City Regional, Greater Queanbeyan, Shoalhaven, Tumut
<i>AGL Gas Networks</i> (ACN 003 004 322)	Ashfield, Auburn, Bankstown, Bathurst, Baulkham Hills, Berrigan, Blacktown, Bland, Blayney, Blue Mountains, Bombala, Boorowa, Botany, Burwood, Cabonne, Camden, Campbelltown, Canada Bay, Canterbury, Cessnock, Conargo, Coolah, Coolamon, Coonabarabran, Cooma-Monaro, Cootamundra, Corowa, Cowra, Culcairn, Deniliquin, Dubbo, Eastern Capital City Regional, Evans, Fairfield, Forbes, Gilgandra, Gosford, Greater Argyle, Greater Queanbeyan, Lithgow, Griffith, Gundagai, Gunnedah, Harden, Hawkesbury, Holbrook, Holroyd, Hornsby, Hume, Hunters Hill, Hurstville, Jerilderie, Junee, Kiama, Kogarah, Ku-ring-gai, Lake Macquarie, Lane Cove, Leeton, Leichhardt, Liverpool, Maitland, Manly, Marrickville, Moree Plains, Mosman, Mudgee, Murray, Muswellbrook, Narrabri, Narrandera, Narromine, Newcastle, North Sydney, Oberon, Orange, Parkes, Parramatta, Parry, Penrith, Pittwater, Port Stephens, Quirindi, Randwick, Rockdale, Ryde, Shellharbour, Shoalhaven, Singleton, Snowy River, Strathfield, Sutherland, Sydney, Tamworth, Temora, Tumut, Upper Lachlan, Warringah, Waverley, Weddin, Wellington, Willoughby, Wingecarribee, Wollondilly, Wollongong, Woollahra, Wyong, Yass Valley, Young
<i>Albury Gas Company</i> (ACN 000 001 249)	Albury, Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie, Murray
<i>Allgas Energy Ltd</i> (ACN 009 656 446)	Tweed, Narrabri
<i>Country Energy Gas Pty Limited</i> (ACN 083 199 839)	Bombala, Cooma-Monaro, Cootamundra, Culcairn, Gundagai, Holbrook, Junee, Lockhart, Temora, Tumut, Wagga Wagga
<i>Wesfarmers Kleenheat Gas Pty Limited</i> (ACN 008 679 543)	Armidale Dumaresq



**INDEPENDENT PRICING AND REGULATORY TRIBUNAL**  
OF NEW SOUTH WALES

Our reference: 01/325-5

Contact Gary Drysdale  
Phone (02) 9290 8477, Fax (02) 92902061  
Email: gary\_drysdale@ipart.nsw.gov.au

12 September 2002

Mr O G Clark  
Director  
Albury Gas Company  
Level 10  
81 Flinders Street  
ADELAIDE SA 5000

Dear Mr Clark

**Gas Supply Act 1996 - Section 11(1)(b)**  
**Notice of Variation to the Gas Reticulator Authorisation Held by**  
**Albury Gas Company**

On 4 December 2001 the Minister advised all natural gas authorisation holders of his intention to add a new condition to supplier and reticulator authorisations. The condition would require authorisation holders to have their compliance with authorisation conditions externally audited to Australian Audit Standards.

As a result of submissions received the Minister has agreed to limit the proposed audit condition to compliance with Full Retail Competition (FRC) related obligations only. This does not preclude the possibility of the Minister choosing to widen the scope of compliance audits at a later stage, should he consider this necessary.

I therefore advise of the Minister's decision under s11(1)(b) of the Gas Supply Act 1996 to incorporate a new condition to the gas reticulator authorisation that your company holds in New South Wales.

The schedule accompanying the grant of authorisation shall be varied in the following manner:

Add new condition 23 as per the following:

***"Condition 23 Audit of Compliance with FRC obligations***

- 1. To enable the Minister for Energy or an auditor appointed by the Minister to audit compliance by the holder of a natural gas suppliers authorisation with:*
  - the authorisation holder's FRC obligations; or*
  - the authorisation holder's procedures and systems for ensuring its compliance with FRC obligations,*

*the authorisation holder must provide the Minister or the auditor with:*


- a) access to its premises and personnel;*
  - b) access to its records in whatever form they may be stored;*
  - c) such information about its records as may be requested for the conduct of the audit;*
  - d) such assistance and co-operation as may reasonably be required for the conduct of the audit*
- 2. The authorisation holder must pay as directed by the Minister the costs of any audit conducted under this condition.*
  - 3. In this condition "ERC obligations" means those obligations of an authorisation holder which the Minister considers are obligations that relate to full retail competition in the market for natural gas in New South Wales and includes those which the Minister considers arise under the Gas Supply Act 1996, regulations imposed under the Act including the Gas Supply (Natural Gas Retail Competition) Regulation 2001 and conditions imposed by the Minister."*

The Minister approved of this variation on 20 August 2002.

A complete copy of your company's authorisation conditions will be re-issued when the Tribunal's current work toward standardising gas authorisation conditions has been completed.

Any enquiries should be directed to Mr Gary Drysdale, Program Manager, Energy Compliance on (02) 9290 8477.

Yours sincerely,

  
Thomas G Parry  
Chairman

Mr Andrew Staniford  
National Manager, Regulatory Affairs  
Albury Gas Company Limited  
Envestra Ltd  
Level 10, 81 Flinders Street  
ADELAIDE SA 5000

21 DEC 2001

Dear Mr Staniford

**Gas Supply Act 1996 - Section 14(1)  
Notice of Variation to  
Albury Gas Company Limited's Reticulator's Authorisation**

I refer to previous correspondence to you from Mr James Cox, Acting Chairman of the Independent Pricing and Regulatory Tribunal, regarding the above.

I hereby give notice of the following variation to the conditions of the authorisation held by Albury Gas Company Limited – ACN 000 001 249:

Remove conditions 4, 5, 6, 7, 8 and 15.

This variation will apply from 1 January 2002.

Yours sincerely



Kim Yeadon MP  
Minister for Energy

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## CONDITIONS OF AUTHORISATION

### 1.0 DEFINITIONS

In these conditions, except to the extent that the context or subject matter otherwise indicates or requires:

**"Approved Scheme"** means a scheme, approved by the Minister, to develop, administer and implement appropriate business rules and retail market business systems to support full competition in the gas retail market in new South Wales

**"authorised area"** means the geographical localities referred to in condition 3;

**"authorisation holder"** means Albury Gas Company Limited;

**"Authorisation Holder's Systems"** means the information technology and business systems of the authorisation holder that will facilitate the introduction and operation of a competitive retail market for gas in New South Wales.

**"Business Rules"** means the business rules which form part of an Approved Scheme.

**"Business Systems Project Plan"** means the business systems project plan referred to in clause 22.2.1 of these authorisation conditions.

**"Data Conversion Requirements"** means the rules governing the transfer of data from relevant authorisation holders to the retail market business systems.

**"Data Migration Plan"** means the data migration plan referred to in clause 22.3.1 of these authorisation conditions.

**"gas supply business"** means the procurement of gas and its distribution and supply by the authorisation holder whether through pipes or otherwise to gas users in the authorised area, the provision of remedial and other services to gas users in the authorised area in furtherance of the use of gas or gas fittings and, to the extent that they are undertaken for the purpose of those activities, includes:

- (a) the design, procurement, provision, installation, testing, commissioning, maintenance, repair, replacement and operation of any plant and machinery, including meters and associated controls, pipework and transport; and
- (b) commercial and administrative functions, but does not include appliance retailing, installation, maintenance and servicing.

**"Milestones"** means the milestones referred to in clause 22.4.1 of these authorisation conditions.

**"relevant year"** means a financial year commencing on 1 July;

**"Retail Market Business Systems"** has the meaning set out in section 33J of the Gas Supply Act 1996.

2. Where, in these conditions, any obligation of the authorisation holder is required to be performed within a specified time limit that obligation continues after that time limit if the authorisation holder fails to comply with that obligation within that time limit.

#### LIMITATION OF SUPPLY

3. The authorisation holder is only authorised to engage in the reticulation of natural gas within the following areas being local government areas under the Local Government Act 1993 as at 1 July 1994:

City of Albury, Shires of Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie and Murray.

#### TARIFF STRUCTURES

4. The prices charged by the authorisation holder for the reticulated gas supplied to tariff gas users in the authorised area must be in accordance with such tariffs as may be fixed from time to time by the authorisation holder and must be so framed as to show how charges are to be made as well as the prices to be charged.
5. The authorisation holder must in respect of the reticulated gas supply in each geographical locality in the authorised area:
  - (1) within four months after the date on which this amendment comes into force, prepare statements explaining the nature of service, connection fees, tariff structures, methods by which and principles on which the tariffs are determined and procedures for payment of gas bills (including guidance to domestic tariff gas users if they have difficulty in paying); and
  - (2) send a copy of any such statement and each revision of it to the Tribunal; and
  - (3) make available for inspection a copy of each statement in its latest form to members of the public at its offices during its normal opening hours; and
  - (4) give or send a copy of each such statement in its latest form to any person requesting it.

#### TARIFF CHANGES

6. Prior to any new tariffs being introduced in respect of the reticulated gas supply in a geographical locality in the authorised area the authorisation holder must:
  - (1) publish by way of advertisements in a newspaper or newspapers circulating in the City of Albury and the Shire of Murray or by notice served on each tariff gas user in the authorised area, a schedule of the prices to be charged to the various classes of tariff gas users and the effective dates of those prices; and
  - (2) send a copy of that schedule to the Tribunal.

## KEEPING OF ACCOUNTS, BOOKS AND RECORDS

7. The authorisation holder must:
- (1) keep all proper books of account and records in such a form that the revenues and costs, assets and liabilities of, or reasonably attributable to, the gas supply business are separately identifiable in the books of the authorisation holder from those of any other business of the authorisation holder; and
  - (2) prepare on a consistent basis from its accounting records in respect of the relevant year accounting statements (comprising a profit and loss account and a statement of assets and liabilities with the details reasonably necessary to reconcile the net assets shown in that statement at the beginning and at the end of that year), setting out and fairly presenting the costs (including depreciation), revenues, assets employed and liabilities, all of, or as may be reasonably attributable to, the gas supply business and showing separately and in appropriate detail the amounts of any revenue, cost, asset or liability which has been either:
    - (a) charged from or to any other business of the authorisation holder; or
    - (b) determined by apportionment between the gas supply business and any other business or activity of the Albury Gas Company Limited together with a description of the basis of the charge or apportionment; and
  - (3) procure, in respect of each set of accounting statements prepared in accordance with these conditions in respect of the relevant year commencing 1 July 1994 and each subsequent relevant year, a report signed by a registered company auditor (within the meaning of the Corporations Law) and addressed to the Tribunal certifying that, in the auditor's opinion, the set of accounting statements is adequate for the purposes of, and is in compliance with this condition and represents a true and fair view of the revenues, costs, assets and liabilities of, or reasonably attributable to, the gas supply business; and
  - (4) deliver to the Tribunal the accounting statements referred to in paragraph (5.1.2) and the report referred to in paragraph (5.1.3) as soon as reasonably practicable and in any event not less than three months after the end of the relevant year to which they relate.
8. Except with the prior written approval of the Tribunal, which must not be unreasonably withheld and which shall be deemed to be granted unless refused within two months of the receipt by the Tribunal of an application from the authorisation holder, the authorisation holder must not in relation to the accounting statements in respect of a relevant year change the basis of charge or apportionment respectively referred to in condition 5.1.2 from that used in respect of the previous relevant year.

## **STATISTICAL INFORMATION**

9.

(1) The authorisation holder must keep, in respect of its gas supply business in each geographical locality in the authorised area, records for each relevant year, showing details of its undertakings including, where applicable, the following:

- Quantity of gas purchased, manufactured and reticulated
- Statistics on gas sales, revenues and numbers of gas users by domestic tariff, other tariff and contract classes
- Kilometres of gas mains
- Peak demand quantities
- Work code statistics resulting from gas user inquiries and complaints
- Numbers of new connections and disconnections
- Statistics relating to tariff rebates, tariff concessions granted and other community service obligations performed.

(2) Not later than three months after the end of each relevant year the authorisation holder must forward to the Tribunal a copy of the records kept under paragraph 6.1.

## **AUTHORISATION HOLDER TO NOTIFY TRIBUNAL OF CESSATION OR REDUCTION IN ACTIVITIES**

10. The authorisation holder must, where practicable, give the Tribunal at least 12 months' notice in writing of a substantial decrease in the extent of, or a cessation of, its activities in the course of engaging in the reticulation of gas in a geographical locality in the authorised area.

## **SAFE GAS SUPPLY SYSTEM**

11. It is the duty of the authorisation holder to develop and maintain a safe system of reticulated gas supply in each geographical locality in the authorised area and to take all reasonable steps to protect the public from dangers arising from the distribution, supply or use of gas.

## **EMERGENCY SERVICE**

12. The authorisation holder must in respect of reticulated gas supply in each geographical locality in the authorised area:

- (1) provide an effective and continuously attended service for the receipt, by telephone, of reports of escapes of gas supplied, or believed to be supplied, by the authorisation holder; and
- (2) make effective arrangements for the receipt at the authorisation holder's offices during its normal opening hours of such reports made in person; and

- (3) ensure that adequate publicity is given of the ways in which it can be contacted for the purpose of reporting such escapes; and
- (4) make available when requested by any person details of its emergency service, stating that the authorisation holder will make safe whether by discontinuing the supply of gas or otherwise, free of charge all escapes of gas which it supplies and the extent to which a gas user may be liable for the costs of repairs associated with an escape.

#### **ENVIRONMENTAL PROTECTION**

13. Subject to the duties specified in the *Gas Supply Act 1996* and in Condition 11, it is the duty of the authorisation holder in conducting its gas activities to take such steps as are reasonable and practicable to minimise any adverse environmental effects of those activities including but not limited to compliance with such measures as may be imposed in relation thereto under or pursuant to any applicable statutes.

#### **FEES**

14. The authorisation holder must pay to the Minister by 31 March in each year the fee prescribed under Section 15 of the *Gas Supply Act 1996*.

#### **PENSIONER REBATES**

15. As from 1 April 1996, the authorisation holder must apply a discount equal to \$14 per annum to prices charged for the supply of gas to each tariff gas user who holds a Pensioner Concession Card issued by Centrelink.

#### **SUPPLY TO NEW AREAS**

16. The authorisation holder will ensure, as soon as practicable, that it is able to supply natural gas to gas users within the townships of Deniliquin, Mathoura, Berrigan and Jerilderie.

#### **NETWORK CODE**

17. The Authorisation Holder must develop, adopt and comply with a Network Code within two weeks of the Authorisation condition coming into effect. The Network Code must at all times be consistent with any guidelines notified from time to time by the Director-General, Ministry of Energy and Utilities. The Network Code adopted by the Authorisation Holder must set out the Authorisation Holder's policies, practices and procedures with respect to the provision of services to gas suppliers which are necessary to facilitate the operation of a competitive retail market within the Authorisation Holder's reticulation system.

This condition expires on a date to be determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

18. The Authorisation Holder must notify the Director-General, Ministry of Energy and Utilities and advise the Independent Pricing and Regulatory Tribunal of any amendment to the Network Code proposed by the Authorisation Holder or by an authorised gas supplier. The Authorisation Holder must seek submissions on the proposed amendment from authorised gas suppliers in accordance with any guidelines notified by the Director-General, Ministry of Energy and Utilities. The Authorisation Holder must notify all authorised gas suppliers in NSW and the Director-General, Ministry of Energy and Utilities of any amendments made to the Network Code adopted by the Authorisation Holder.

This condition expires on a date to be determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

19. The Authorisation Holder must make copies of the Network Code adopted by the Authorisation Holder available to any person on request for a reasonable charge to cover the costs of supply.

This condition expires on a date to be determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

20.

- (1) The Authorisation Holder must appoint an independent, appropriately qualified person to undertake, in accordance with any guidelines notified from time to time by the Director-General, Ministry of Energy and Utilities, an audit and report on:

- the Actual Total Costs incurred by the Authorisation Holder in providing Market Services and the difference between the Actual Total Costs and the Projected Total Costs in providing Market Services;
- the best estimate of the actual volume of gas supplied in the 1 - 10 terajoule retail market; and
- the revenue received by the Authorisation Holder for providing Market Services and Additional Services;

for the following periods:

- 1 October 1999 to 30 June 2000; and
- 1 July 2000 to 30 June 2001 or another date determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

- (2) The Authorisation Holder must provide a copy of the independent audit report to the Director-General, Ministry of Energy and Utilities by no later than two months after the expiry of the periods referred to in 14.7 or a later date determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

(3) This condition expires on a date to be determined by the Director-General, Ministry of Energy and Utilities and notified in writing by the Director-General to the Authorisation Holder.

(4) In this condition, the following words have the following meanings:

**"Actual Total Costs"** are the actual costs incurred by the Authorised Reticulator in providing Market Services for each of the periods referred to in 20(1).

**"Additional Services"** are any of the following services provided by the Authorisation Holder upon request by an authorised gas supplier.

- Provision and installation of Daily Meter Reading Facilities at a delivery point;
- Metering services for a delivery point above the minimum requirements including installation and provision of additional metering facilities, undertaking special meter reads and altering the meter reading cycle; and
- Carrying out a disconnection or reconnection of a delivery point.

**"Market Services"** are services (excluding Additional Services) to be provided by the Authorised Reticulator that are necessary to support retail competition.

**"Projected Total Costs"** are the estimated total costs to be incurred by the Authorised Reticulator in providing Market Services for each of the periods referred to in 20(1).

**"Daily Meter Reading Facilities"** means the equipment necessary to enable gas meters to be read electronically on a daily basis.

**21. REQUIREMENT TO PARTICIPATE IN AN APPROVED SCHEME TO SUPPORT FULL RETAIL COMPETITION IN THE GAS RETAIL MARKET IN NEW SOUTH WALES**

The authorisation holder is required to participate in a scheme approved by the Minister [an Approved Scheme] to develop, administer and implement appropriate business rules and retail market business systems to support full retail competition in the gas retail market in New South Wales.

The authorisation holder is required to be a party to a binding arrangement with all other participants in an Approved Scheme and to comply with all terms and conditions contained in the binding arrangement, the business rules and any guidelines issued from time to time by the Director-General regarding the business rules.

The authorisation holder is required to provide to the Minister or the Minister's nominee information about the operation of the Approved Scheme as may be required from time to time by the Minister or the Minister's nominee.

In these Authorisation conditions:

**"Approved Scheme"** means a scheme, approved by the Minister, to develop, administer and implement appropriate business rules and retail market business systems to support full competition in the gas retail market in New South Wales.

**"Business Rules"** means the business rules which form part of an Approved Scheme.

**"Retail market business systems"** has the meaning set out in section 33J of the *Gas Supply Act 1996*.

## 22. RETAIL MARKET BUSINESS SYSTEMS

### 22.1 Contribution towards an Approved Scheme

22.1.1 The Director-General (or any person nominated by the Director-General) may, by notice in writing to the authorisation holder, direct the authorisation holder to provide such assistance as the Director-General considers necessary for the development or amendment of the Business Rules and functional specifications of the Retail Market Business Systems of an Approved Scheme.

22.1.2 The Director-General (or any other person nominated by the Director-General), may, by notice in writing to the authorisation holder, direct the authorisation holder to develop (or participate in the development of) and participate in the testing of:

- (a) the Retail Market Business Systems of an Approved Scheme;
- (b) the authorisation holder's Systems for interfacing with the Retail Market Business Systems of an approved scheme; or
- (c) the Authorisation Holder's Systems for interfacing with another authorisation holder's information technology and business systems.

22.1.3 The authorisation holder must comply with any directions given by the Director-General under clauses 22.1.1 and 22.1.2 except where such compliance would, in the opinion of the Director-General, be unduly onerous or would cause the authorisation holder to breach any statutory obligations.

### 22.2 BUSINESS SYSTEMS PROJECT PLAN

22.2.1 The Director-General may, in consultation with market participants, approve a Business Systems Project Plan (and amend that plan from time to time) to facilitate the development of:

- (a) the Retail Market Business Systems of an Approved Scheme; and/or
- (b) the Authorisation Holder's Systems for interfacing with the Retail Market Business Systems of an Approved Scheme



22.2.2 The Director-General will provide the authorisation holder with a copy of or access to any Business Systems Project Plan approved under clause 22.2.1

22.2.3 The Director-General will notify the authorisation holder of any amendments to the Business Systems Project Plan.

### **22.3 DATA MIGRATION PLAN**

22.3.1 The Director-General may, in consultation with market participants, approve a Data Migration Plan (and amend that plan from time to time) to establish the Data Conversion Requirements for the testing and operation of the Retail Market Business Systems.

22.3.2 The Director-General will provide the authorisation holder with a copy of or access to any Data Migration Plan approved under clause 22.3.1

22.3.3 The Director-General will notify the authorisation holder of any amendments to the Data Migration Plan.

### **22.4 COMPLIANCE WITH BUSINESS SYSTEMS PROJECT PLAN AND DATA MIGRATION PLAN**

22.4.1 The authorisation holder must comply with the Milestones set out in the Business Systems Project Plan and the Data Migration Plan.

### **22.5 OBLIGATION TO PROVIDE INFORMATION**

22.5.1 The authorisation holder must furnish the Director-General with such information as the Director-General (or any person nominated by the Director-General) may from time to time require to enable the Director-General to assess the authorisation holder's progress towards achieving the Milestones. That information must be furnished within 7 days of the date of that request or within such additional period as is specified by the Director-General (or any person nominated by the Director-General).

### **22.6 REPORTING OBLIGATIONS**

22.6.1 The authorisation holder must, by the 15<sup>th</sup> day of each month (or such other day or days as may be notified to the authorisation holder by the Director-General or any person nominated by the Director-General), prepare and furnish the Director-General with a report which sets out the authorisation holder's progress towards achieving the Milestones.

22.6.2 The report referred to in clause 22.6.1 must be in a form and contain a level of detail that is acceptable to the Director-General. If, in the Director-General's opinion, the form or level of detail of the report is inadequate, the Director-General may require the authorisation holder to submit a revised report within 7 days.

22.6.3 The Minister may, by notice in writing to the authorisation holder, release the authorisation holder from its obligations under clauses 22.6.1 and 22.6.2.

22.6.4 Upon receipt of a notice under clause 22.6.3, the authorisation holder will be released from its obligations under clauses 22.6.1 and 22.6.2 on and from the date stipulated in the notice.

## 22.7 INSPECTION OF RECORDS AND SYSTEMS

21.1.2 The Director-General, or any person nominated by the Director-General, may at reasonable times and on reasonable notice, speak to a representative of the authorisation holder, enter the authorisation holder's premises and (under the supervision of the authorisation holder) inspect:

- (a) the operation of the Authorisation Holder's Systems for interfacing with the Retail Market Business Systems of an Approved Scheme;
- (b) the operation of the Authorisation Holder's Systems for interfacing with another authorisation holder's information technology and business systems; and
- (c) all related documents and equipment

to assess the authorisation holder's progress towards achieving the Milestones.

22.7.2 If the Director-General reasonably forms the view that the authorisation holder has not achieved or will not achieve the Milestones:

- (a) The Director-General may require the authorisation holder to consult with a person nominated by the Director-General to discuss the reasons for the failure to achieve the Milestones and the actions required to achieve the Milestones;
- (b) The Director-General may require the authorisation holder to establish, to the satisfaction of the Director-General or a person nominated by the Director-General, a recovery plan to ensure that the authorisation holder will be able to meet the Milestones;
- (c) The Director-General may require the authorisation holder to undertake an audit or review of the recovery plan at intervals specified by the Director-General; and
- (d) The authorisation holder must comply with the recovery plan.

## 22.8 EXPIRY

22.8.1 Clauses 22 - 22.7.2 will cease to have effect within 12 months of the date on which they were incorporated into these authorisation conditions unless, prior to that date, the Minister determines that these clauses will continue in operation until a later specified date.

22.8.2 If such a determination is made, the Director-General (or any person nominated by the Director-General) must notify the authorisation holder of the making of that determination. However, no failure to notify the authorisation holder will invalidate the determination.



New South Wales

MINISTER FOR INFORMATION TECHNOLOGY,  
MINISTER FOR ENERGY, MINISTER FOR FORESTRY, AND  
MINISTER FOR WESTERN SYDNEY

DITM Ref: D11517  
MEU Ref: 01/00827  
File No: M01/3090

5 SEP 2001

Mr Andrew Stanford  
National Manager, Regulatory Affairs  
Envestra Ltd  
Level 10, 81 Flinders Street  
ADELAIDE SA 5000

Dear Mr Stanford

**Variation of Albury Gas Company Ltd's Authorisation**

I refer to correspondence on 20 June 2001 from the Director-General of the Ministry of Energy and Utilities notifying my intention to vary the conditions to the authorisation held by Albury Gas Company Ltd.

I hereby give notice of the following variation to the conditions of the authorisation held by Albury Gas Company Ltd - ACN 000 001 249.

**RETAIL MARKET BUSINESS SYSTEMS**

**CONTRIBUTION TOWARDS APPROVED SCHEME**

The Director-General (or any person nominated by the Director-General) may, by notice in writing to the authorisation holder, direct the authorisation holder to provide such assistance as the Director-General considers necessary for the development or amendment of the Business Rules and functional specifications of the Retail Market Business Systems of an Approved Scheme.

The Director-General (or any person nominated by the Director-General) may, by notice in writing to the authorisation holder, direct the authorisation holder to develop (or participate in the development of) and participate in the testing of:

(a) the Retail Market Business Systems of an Approved Scheme;

(b) the Authorisation Holder's Systems for interfacing with the Retail Market Business Systems of an Approved Scheme, or

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- (c) the Authorisation Holder's Systems for interfacing with another authorisation holder's information technology and business systems.

22.1.3 The authorisation holder must comply with any directions given by the Director-General under clauses 22.1.1, and 22.1.2 except where such compliance would, in the opinion of the Director-General, be unduly onerous or would cause the authorisation holder to breach any statutory obligations.

22.2

### **BUSINESS SYSTEMS PROJECT PLAN**

22.2.1

The Director-General may, in consultation with market participants, approve a Business Systems Project Plan (and amend that plan from time to time) to facilitate the development of:

- (a) the Retail Market Business Systems of an Approved Scheme; and/or
- (b) the Authorisation Holder's Systems for interfacing with the Retail Market Business Systems of an Approved Scheme.

22.2.2

The Director-General will provide the authorisation holder with a copy of or access to any Business Systems Project Plan approved under clause 22.2.1.

22.2.3

The Director-General will notify the authorisation holder of any amendments to the Business Systems Project Plan.

22.3

### **DATA MIGRATION PLAN**

22.3.1

The Director-General may, in consultation with market participants, approve a Data Migration Plan (and amend that plan from time to time) to establish the Data Conversion Requirements for the testing and operation of the Retail Market Business Systems.

22.3.2

The Director-General will provide the authorisation holder with a copy of or access to any Data Migration Plan approved under clause 22.3.1.

22.3.3

The Director-General will notify the authorisation holder of any amendments to the Data Migration Plan.

22.4

### **COMPLIANCE WITH BUSINESS SYSTEMS PROJECT PLAN AND DATA MIGRATION PLAN**

22.4.1

The authorisation holder must comply with the Milestones set out in the Business Systems Project Plan and the Data Migration Plan.



**OBLIGATION TO PROVIDE INFORMATION**

The authorisation holder must furnish the Director-General with such information as the Director-General (or any person nominated by the Director-General) may from time to time require to enable the Director-General to assess the authorisation holder's progress towards achieving the Milestones. That information must be furnished within 7 days of the date of that request or within such additional period as is specified by the Director-General (or any person nominated by the Director-General).

22.5  
22.5.1

**REPORTING OBLIGATIONS**

The authorisation holder must, by the 15<sup>th</sup> day of each month (or such other day or days as may be notified to the authorisation holder by the Director-General or any person nominated by the Director-General), prepare and furnish the Director-General with a report which sets out the authorisation holder's progress towards achieving the Milestones.

22.6  
22.6.1

The report referred to in clause 22.6.1 must be in a form and contain a level of detail that is acceptable to the Director-General. If, in the Director-General's opinion, the form or level of detail of the report is inadequate, the Director-General may require the authorisation holder to submit a revised report within 7 days.

22.6.2

The Minister may, by notice in writing to the authorisation holder, release the authorisation holder from its obligations under clauses 22.6.1 and 22.6.2.

22.6.3

Upon receipt of a notice under clause 22.6.3, the authorisation holder will be released from its obligations under clauses 22.6.1 and 22.6.2 on and from the date stipulated in the notice.

22.6.4

**INSPECTION OF RECORDS AND SYSTEMS**

The Director-General, or any person nominated by the Director-General, may at reasonable times and on reasonable notice, speak to a representative of the authorisation holder, enter the authorisation holder's premises and (under the supervision of the authorisation holder) inspect:

22.7.1

(a) the operation of the Authorisation Holder's Systems for interfacing with the Retail Market Business Systems of an Approved Scheme;

22.7

(b) the operation of the Authorisation Holder's Systems for interfacing with another authorisation holder's information technology and business systems; and

(c) all related documents and equipment.



to assess the authorisation holder's progress towards achieving the Milestones.

22.7.2

If the Director-General reasonably forms the view that the authorisation holder has not achieved or will not achieve the Milestones:

- (a) the Director-General may require the authorisation holder to consult with a person nominated by the Director-General to discuss the reasons for the failure to achieve the Milestones and the actions required to achieve the Milestones;
- (b) the Director-General may require the authorisation holder to establish, to the satisfaction of the Director-General or a person nominated by the Director-General, a recovery plan to ensure that the authorisation holder will be able to meet the Milestones;
- (c) the Director-General may require the authorisation holder to undertake an audit or review of the recovery plan at intervals specified by the Director-General; and
- (d) the authorisation holder must comply with the recovery plan.

22.8

### EXPIRY

22.8.1

Clauses 22 - 22.7.2 will cease to have effect within 12 months of the date on which they were incorporated into these authorisation conditions unless, prior to that date, the Minister determines that these clauses will continue in operation until a later specified date.

22.8.2

If such a determination is made, the Director-General (or any person nominated by the Director-General) must notify the authorisation holder of the making of that determination. However, no failure to notify the authorisation holder will invalidate the determination.

1

### DEFINITIONS

1

In these Authorisation conditions:

**Authorisation Holder's Systems** means the information technology and business systems of the authorisation holder that will facilitate the introduction and operation of a competitive retail market for gas in New South Wales.

**Business Rules** means the business rules which form part of an Approved Scheme.



5

**Business Systems Project Plan** means the business systems project plan referred to in clause 22.2.1 of these authorisation conditions.

**Data Conversion Requirements** means the rules governing the transfer of data from relevant authorisation holders to the retail market business systems.

**Data Migration Plan** means the data migration plan referred to in clause 22.3.1 of these authorisation conditions.

**Milestones** means the milestones referred to in clause 22.4.1 of these authorisation conditions

**Retail Market Business Systems** has the meaning set out in section 33J of the *Gas Supply Act 1996*.

Yours sincerely



Kim Yeadon MP  
Minister for Energy

Minister's Ref: D10725  
IPART Ref: 00/241

Mr Andrew Staniford  
National Manager, Regulatory Affairs  
Albury Gas Company Limited  
Envestra Ltd  
Level 10, 81 Flinders Street  
ADELAIDE SA 5000

31 JUL 2001

Dear Mr Staniford

**Variation of Albury Gas Company Limited's (AGC) Reticulator's Authorisation**


I refer to the letter from Dr Thomas Parry, Chairman of the Independent Pricing and Regulatory Tribunal, of 15 May 2001, regarding the proposal to vary condition 16 of AGC's Reticulator's Authorisation by removing the time limit to reticulate to certain townships in the Murray Valley.

I hereby give notice of the following variation to the conditions of the authorisation held by Albury Gas Company Limited – ACN 000 001 249. Replace the existing condition 16 with the following:

16      *Supply to New Areas*

The authorisation holder will ensure, as soon as practicable, that it is able to supply natural gas to gas users within the townships of Deniliquin, Mathoura Berrigan and Jerilderie.

Yours sincerely



Kim Yeadon MP  
Minister for Energy





New South Wales

MINISTER FOR INFORMATION TECHNOLOGY,  
MINISTER FOR ENERGY, MINISTER FOR FORESTRY, AND  
MINISTER FOR WESTERN SYDNEY

Mr Andrew Staniford  
National Manager, Regulatory Affairs,  
Albury Gas Company Limited  
Ervestra Ltd  
Level 10, 81 Flinders Street,  
ADELAIDE SA 5000

File No: M00/6246

23 MAR 2001

Dear Mr Staniford

**Variation of Albury Gas Company Ltd's Supplier Authorisation**

I refer to Ms McAloon's letter on my behalf of 10 January 2001 notifying my intention to vary the conditions to the authorisation held by Albury Gas Company Ltd.

I hereby give notice of the following variation to the conditions of the authorisation held by Albury Gas Company Ltd - ACN 000 001 249.

21

*Requirement to participate in an Approved Scheme to support full competition in the gas retail market in New South Wales*

1. The authorisation holder is required to participate in a scheme approved by the Minister [an **Approved Scheme**] to develop, administer and implement appropriate business rules and retail market business systems to support full competition in the gas retail market in New South Wales.
2. The authorisation holder is required to be a party to a binding arrangement with all other participants in an Approved Scheme and to comply with all terms and conditions contained in the binding arrangement, the business rules and any guidelines issued from time to time by the Director-General regarding the business rules.
3. The authorisation holder is required to provide to the Minister or the Minister's nominee information about the operation of the Approved Scheme as may be required from time to time by the Minister or the Minister's nominee.

22

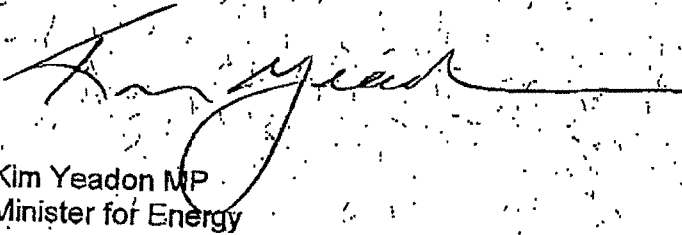
In these Authorisation conditions:

**Approved Scheme** means a scheme, approved by the Minister, to develop, administer and implement appropriate business rules and retail market business systems to support full competition in the gas retail market in New South Wales.

**Business rules** means the rules of an entity, established under an Approved Scheme, governing the operation of retail market business systems.

**Retail market business systems** means those IT and information communication services provided to retailers and network operators which are required to support full retail competition in gas.

Yours sincerely



Kim Yeadon MP  
Minister for Energy



New South Wales

MINISTER FOR INFORMATION TECHNOLOGY,  
MINISTER FOR ENERGY, MINISTER FOR FORESTRY, AND  
MINISTER FOR WESTERN SYDNEY

DITM Ref: D07445  
MEU Ref: 00/00672  
File: 11784.8

Mr John Lawrence  
Manager Policy and Regulatory Affairs  
Origin Energy  
PO Box 910  
SYDNEY NSW 1041

31 JUL 2000

Dear Mr Lawrence

**Variation of Albury Gas Company Limited's Reticulator's Authorisation**

I refer to Mr Bosler's letter on my behalf of 9 June 2000 notifying my intention to vary the conditions to the authorisation held by Albury Gas Company Limited.

I hereby give notice of the following variation to the conditions of the authorisation held by Albury Gas Company Limited ACN 000 001 249:

**Network Code**

- 17 The Authorisation Holder must develop, adopt and comply with a Network Code within two weeks of this Authorisation condition coming into effect. The Network Code must at all times be consistent with any guidelines notified from time to time by the Director, Ministry of Energy and Utilities. The Network Code adopted by the Authorisation Holder must set out the Authorisation Holder's policies, practices and procedures with respect to the provision of services to gas suppliers which are necessary to facilitate the operation of a competitive retail market within the Authorisation Holder's reticulation system.

This condition expires on a date to be determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

- 18 The Authorisation Holder must notify the Director, Ministry of Energy and Utilities and advise the Independent Pricing and Regulatory Tribunal of any amendment to the Network Code proposed by the Authorisation Holder or by an authorised gas supplier. The Authorisation Holder must seek submissions on the proposed amendment from authorised gas suppliers in accordance with any guidelines notified by the Director, Ministry of Energy and Utilities. The

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Authorisation Holder must notify all authorised gas suppliers in NSW and the Director, Ministry of Energy and Utilities, of any amendments made to the Network Code adopted by the Authorisation Holder.

This condition expires on a date to be determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

- 19 The Authorisation Holder must make copies of the Network Code adopted by the Authorisation Holder available to any person on request for a reasonable charge to cover the costs of supply.

This condition expires on a date to be determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

20

- (1) The Authorisation Holder must appoint an independent, appropriately qualified person to undertake, in accordance with any guidelines notified from time to time by the Director, Ministry of Energy and Utilities, an audit and report on:

- the Actual Total Costs incurred by the Authorisation Holder in providing Market Services and the difference between the Actual Total Costs and the Projected Total Costs in providing Market Services;
- the best estimate of the actual volume of gas supplied in the 1 – 10 terajoule retail market; and
- the revenue received by the Authorisation Holder for providing Market Services and Additional Services;

for the following periods:

- 1 October 1999 to 30 June 2000; and
- 1 July 2000 to 30 June 2001 or another date determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

- (2) The Authorisation Holder must provide a copy of the independent audit report to the Director, Ministry of Energy and Utilities by no later than two months after the expiry of the periods referred to in 20(1) or a later date determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

- (3) This condition expires on a date to be determined by the Director, Ministry of Energy and Utilities and notified in writing by the Director to the Authorisation Holder.

(4) In this condition, the following words have the following meanings:

"Actual Total Costs" are the actual costs incurred by the Authorised Reticulator in providing Market Services for each of the periods referred to in 20(1).

"Additional Services" are any of the following services provided by the Authorisation Holder upon request by an authorised gas supplier:

- provision and installation of Daily Meter Reading Facilities at a delivery point;
- metering services for a delivery point above the minimum requirements including installation and provision of additional metering facilities, undertaking special meter reads and altering the meter reading cycle; and
- carrying out a disconnection or reconnection of a delivery point.

"Market Services" are services (excluding Additional Services) to be provided by the Authorised Reticulator that are necessary to support retail competition.

"Projected Total Costs" are the estimated total costs to be incurred by the Authorised Reticulator in providing Market Services for each of the periods referred to in 20(1).

"Daily Meter Reading Facilities" means the equipment necessary to enable gas meters to be read electronically on a daily basis.

Yours sincerely

**SIGNED**

Kim Yeadon MP  
Minister for Energy



New South Wales

MINISTER FOR INFORMATION TECHNOLOGY,  
MINISTER FOR ENERGY, MINISTER FOR FORESTRY, AND  
MINISTER FOR WESTERN SYDNEY

File 11784.8

Mr. John Lawrence  
Manager Policy and Regulatory Affairs  
Boral Energy  
PO Box 910  
SYDNEY NSW 1041

24 DEC 1999

Dear Mr. Lawrence

**Variation of Albury Gas Company Limited's Reticulator's Authorisation**

I refer to Mr. Neil's letter on my behalf of 8 December 1999 notifying my intention to impose vary the conditions to the authorisation held by Albury Gas Company.

I hereby give notice of the following variation to the conditions of the authorisation held by the Albury Gas Company Limited ACN 000 001 249:

**Network Code**

- 17 The Authorisation Holder must develop, adopt and comply with a Network Code within two weeks of this Authorisation condition coming into effect. The Network Code must at all times be consistent with any guidelines notified from time to time by the Director, Ministry of Energy and Utilities. The Network Code adopted by the Authorisation Holder must set out the Authorisation Holder's policies, practices and procedures with respect to the provision of services to gas suppliers which are necessary to facilitate the operation of a competitive retail market within the Authorisation Holder's reticulation system.

This condition expires on 1 July 2000, unless varied prior to that date.

- 18 The Authorisation Holder must notify the Director, Ministry of Energy and Utilities and advise the Independent Pricing and Regulatory Tribunal of any amendment to the Network Code proposed by the Authorisation Holder or by an authorised gas supplier. The Authorisation Holder must seek submissions on the

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Email: kim.yeadon@www.nsw.gov.au

proposed amendment from authorised gas suppliers in New South Wales in accordance with any guidelines notified by the Director, Ministry of Energy and Utilities. The Authorisation Holder must notify all authorised gas suppliers in NSW and the Director, Ministry of Energy and Utilities, of any amendments made to the Network Code adopted by the Authorisation Holder.

This condition expires on 1 July 2000, unless varied prior to that date.

- 19 The Authorisation Holder must make copies of the Network Code adopted by the Authorisation Holder available to any person on request for a reasonable charge to cover the costs of supply.

This condition expires on 1 July 2000, provided that the Authorisation Holder must still comply with any requests received in the days prior to 1 July 2000 but not processed before that date.

- 20 (1) The Authorisation Holder must appoint an independent, appropriately qualified person to undertake, in accordance with any guidelines notified from time to time by the Director, Ministry of Energy and Utilities, an audit and report on:
- the Actual Total Costs incurred by the Authorisation Holder in providing Market Services and the difference between the Actual Total Costs and the Projected Total Costs in providing Market Services;
  - the best estimate of the actual volume of gas supplied in the 1 – 10 terajoule retail market for the period 1 October 1999 to 30 June 2000; and
  - the revenue received by the Authorisation Holder for providing Market Services, Daily Meter Reading Facilities and additional metering facilities under the Network Code in the period 1 October 1999 to 30 June 2000.
- (2) The Authorisation Holder must provide a copy of the independent audit report to the Director, Ministry of Energy and Utilities by no later than 30 August 2000 or by a later date determined by the Director, Ministry of Energy and Utilities.
- (3) This condition expires on 30 September 2000, unless varied prior to that date.
- (4) In this condition, the following words have the following meanings:
- “Actual Total Costs” are the actual costs incurred by the Authorised Reticulator in providing Market Services for the period 1 October 1999 to 30 June 2000.

"Market Services" are those services to be provided by the Authorised Reticulator that are necessary to support retail competition.

"Projected Total Costs" are the estimated total costs to be incurred by the Authorised Reticulator in providing Market Services for the period 1 October 1999 to 30 June 2000.

"Daily Meter Reading Facilities" means the equipment necessary to enable gas meters to be read electronically on a daily basis.

- (5) Where a condition is expressed to expire on a given date "unless varied prior to that date", the variation referred to should be taken to mean a variation in the expiry date, rather than any variation in the substantive terms of the condition.

Yours sincerely

Signed by

Minister for IT, Forestry, Ports and  
~~Minister Assisting the Premier on Western Sydney~~

Kim Yeadon MP  
Minister for Energy



**GAS ACT 1986**

**AUTHORISATION**

**GRANTED TO**

**ALBURY GAS**

**COMPANY LIMITED**

(Revised as at 12 February 1996)

## SCHEDULE 1

### CONDITIONS OF AUTHORISATION

#### DEFINITIONS

1. In these conditions, except to the extent that the context or subject matter otherwise indicates or requires:
  - "authorised area" means the geographical localities referred to in condition 3;
  - "contract gas user" means any gas user contracting to purchase 10,550 GJ or more per annum;
  - "Gas Council" means the Gas Council of New South Wales constituted by the Gas Act 1986;
  - "gas distributor" means Albury Gas Company Limited;
  - "gas supply business" means the procurement of gas and its distribution and supply by the gas distributor whether through pipes or otherwise to gas users in the authorised area, the provision of remedial and other services to gas users in the authorised area in furtherance of the use of gas or gas fittings and, to the extent that they are undertaken for the purpose of those activities, includes:
    - (a) the design, procurement, provision, installation, testing, commissioning, maintenance, repair, replacement and operation of any plant and machinery, including meters and associated controls, pipework and transport; and
    - (b) commercial and administrative functions, but does not include appliance retailing, installation, maintenance and servicing.
  - "relevant year" means a financial year commencing on 1 July;
  - "tariff gas user" means any gas user consuming less than 10,550 GJ per annum.
2. Where, in these conditions, any obligation of the gas distributor is required to be performed within a specified time limit that obligation continues after that time limit if the gas distributor fails to comply with that obligation within that time limit.

#### LIMITATION OF SUPPLY

3. The gas distributor is only authorised to engage in the reticulation of natural gas within the following areas being local government areas under the Local Government Act 1993 as at 1 July 1994:

City of Albury, Shires of Berrigan, Conargo, Corowa, Deniliquin, Hume, Jerilderie and Murray.

### TARIFF STRUCTURES

4. The prices charged by the gas distributor for the reticulated gas supplied to tariff gas users in the authorised area must be in accordance with such tariffs as may be fixed from time to time by the gas distributor and must be so framed as to show how charges are to be made as well as the prices to be charged.
5. The gas distributor must in respect of the reticulated gas supply in each geographical locality in the authorised area:
  - (1) within four months after the date on which this amendment comes into force, prepare statements explaining the nature of service, connection fees, tariff structures, methods by which and principles on which the tariffs are determined and procedures for payment of gas bills (including guidance to domestic tariff gas users if they have difficulty in paying); and
  - (2) send a copy of any such statement and each revision of it to the Gas Council; and
  - (3) make available for inspection a copy of each statement in its latest form to members of the public at its offices during its normal opening hours; and
  - (4) give or send a copy of each such statement in its latest form to any person requesting it.

### TARIFF CHANGES

6. Prior to any new tariffs being introduced in respect of the reticulated gas supply in a geographical locality in the authorised area the gas distributor must -
  - (1) publish by way of advertisements in a newspaper or newspapers circulating in the City of Albury and the Shire of Murray or by notice served on each tariff gas user in the authorised area, a schedule of the prices to be charged to the various classes of tariff gas users and the effective dates of those prices; and
  - (2) send a copy of that schedule to the Gas Council.

- 6A. Notwithstanding any other provision of this Authorisation, the gas distributor must not, at any time during the (12) month period commencing on 1 February 1996, increase any prices charged for gas supplied to tariff gas users unless that increase has been approved by the Gas Council.

#### **KEEPING OF ACCOUNTS, BOOKS AND RECORDS**

7. The gas distributor must:
- (1) keep all proper books of account and records in such a form that the revenues and costs, assets and liabilities of, or reasonably attributable to, the gas supply business are separately identifiable in the books of the gas distributor from those of any other business of the gas distributor; and
  - (2) prepare on a consistent basis from its accounting records in respect of the relevant year accounting statements (comprising a profit and loss account and a statement of assets and liabilities with the details reasonably necessary to reconcile the net assets shown in that statement at the beginning and at the end of that year), setting out and fairly presenting the costs (including depreciation), revenues, assets employed and liabilities, all of, or as may be reasonably attributable to, the gas supply business and showing separately and in appropriate detail the amounts of any revenue, cost, asset or liability which has been either -
    - (a) charged from or to any other business of the gas distributor; or
    - (b) determined by apportionment between the gas supply business and any other business or activity of the Albury Gas Company Limited together with a description of the basis of the charge or apportionment; and
  - (3) procure, in respect of each set of accounting statements prepared in accordance with these conditions in respect of the relevant year commencing 1 July 1994 and each subsequent relevant year, a report signed by a registered company auditor (within the meaning of the Corporations Law) and addressed to the Gas Council certifying that, in the auditor's opinion, the set of accounting statements is adequate for the purposes of, and is in compliance with this condition and represents a true and fair view of the revenues, costs, assets and liabilities of, or reasonably attributable to, the gas supply business; and

- (4) deliver to the Gas Council the accounting statements referred to in paragraph (2) and the report referred to in paragraph (3) as soon as reasonably practicable and in any event not less than three months after the end of the relevant year to which they relate.
8. Except with the prior written approval of the Gas Council, which must not be unreasonably withheld and which shall be deemed to be granted unless refused within two months of the receipt by the Gas Council of an application from the gas distributor, the gas distributor must not in relation to the accounting statements in respect of a relevant year change the basis of charge or apportionment respectively referred to in condition 7 (2) from that used in respect of the previous relevant year.

#### **STATISTICAL INFORMATION**

9.
  - (1) The gas distributor must keep, in respect of its gas supply business in each geographical locality in the authorised area, records for each relevant year, showing details of its undertakings including, where applicable, the following:
    - Quantity of gas purchased, manufactured and reticulated;
    - Statistics on gas sales, revenues and numbers of gas users by domestic tariff, other tariff and contract classes;
    - Kilometres of gas mains;
    - Peak demand quantities;
    - Work code statistics resulting from gas user inquiries and complaints;
    - Numbers of new connections and disconnections; and
    - Statistics relating to tariff rebates, tariff concessions granted and other community service obligations performed.
  - (2) Not later than three months after the end of each relevant year the gas distributor must forward to the Gas Council a copy of the records kept under paragraph (1).

#### **GAS DISTRIBUTOR TO NOTIFY GAS COUNCIL OF CESSATION OR REDUCTION IN ACTIVITIES**

10. The gas distributor must, where practicable, give the Gas Council at least 12 months' notice in writing of a substantial decrease in the extent of, or a cessation of, its activities in the course of engaging in the reticulation of gas in a geographical locality in the authorised area.

## **SAFE GAS SUPPLY SYSTEM**

11. It is the duty of the gas distributor to develop and maintain a safe system of reticulated gas supply in each geographical locality in the authorised area and to take all reasonable steps to protect the public from dangers arising from the distribution, supply or use of gas.

## **EMERGENCY SERVICE**

12. The gas distributor must in respect of reticulated gas supply in each geographical locality in the authorised area:
  - (1) provide an effective and continuously attended service for the receipt, by telephone, of reports of escapes of gas supplied, or believed to be supplied, by the gas distributor; and
  - (2) make effective arrangements for the receipt at the gas distributor's offices during its normal opening hours of such reports made in person; and
  - (3) ensure that adequate publicity is given of the ways in which it can be contacted for the purpose of reporting such escapes; and
  - (4) make available when requested by any person details of its emergency service, stating that the gas distributor will make safe, whether by discontinuing the supply of gas or otherwise, free of charge all escapes of gas which it supplies and the extent to which a gas user may be liable for the costs of repairs associated with an escape.

## **ENVIRONMENTAL PROTECTION**

13. Subject to the duties specified in the Gas Act, 1986 and in Condition 11, it is the duty of the gas distributor in conducting its gas activities to take such steps as are reasonable and practicable to minimise any adverse environmental effects of those activities including but not limited to compliance with such measures as may be imposed in relation thereto under or pursuant to any applicable statutes.

## **FEES**

14. (1) Not later than 29 February in 1996 and by 31 January in each subsequent year, the gas distributor must forward to the Gas Council a statement showing:

- (a) the revenue derived by the gas distributor from the sale of gas during the period 1 January to 31 December in the previous year disregarding revenue which is excluded by Section 18(2) of the Gas Act, 1986 for the purposes of the calculation of the additional fee under that Section; and
- (b) the amount of the additional fee calculated in accordance with Section 18(1)(b) of the Gas Act, 1986 on the basis of the revenue referred to in paragraph (a) of this condition.
- (2) The statement referred to in paragraph (1) of this Condition must be accompanied by a certificate signed by a registered company auditor (within the meaning of the Corporations Law) certifying that, in the auditor's opinion, the statement is in compliance with Section 18 of the Gas Act, 1986 and that the particulars furnished are correct.
- (3) The gas distributor must pay to the Minister by 31 March in each year:
- (a) the fee prescribed under Section 18(1)(a) of the Gas Act, 1986; and
- (b) an additional fee calculated in accordance with Section 18(1)(b) of the Gas Act, 1986.

#### **PENSIONER REBATES**

15. As from 1 April 1996, the gas distributor must apply a discount equal to \$14 per annum to prices charged for the supply of gas to each tariff gas user who holds a Pensioner Concession Card issued by the Commonwealth Department of Social Security.

#### **SUPPLY TO NEW AREAS**

16. The gas distributor will ensure that it is able to supply natural gas to gas users within the townships of Howlong, Corowa, Mulwala, Barooga, Tocumwal, Finley, Jerilderie, Berrigan, Deniliquin and Mathoura by 31 December 1999.

Authorisation Granted  
to Albury Gas Company Limited  
under the Gas Act 1986

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GAS ACT 1986

AUTHORISATION TO RETICULATE GAS

I, Neil Edward William Pickard, Minister for Minerals and Energy, pursuant to the powers conferred on me by the Gas Act 1986, hereby authorise the Albury Gas Company Limited (hereinafter called "the Gas Distributor") to reticulate gas subject to the conditions specified in Schedule 1 hereto.

This Authorisation commences on 20 July 1990.

Dated at Sydney this 18<sup>th</sup> day of July 1990.



Minister for Minerals and Energy

## SCHEDULE 1

### CONDITIONS OF AUTHORISATION

1. The Gas Distributor can supply gas only within the Albury area part of the Albury-Wodonga Area as constituted by the Albury-Wodonga Development Act 1974.
2. It is the duty of the Gas Distributor to develop and maintain a safe system of gas supply.
3. Subject to the duties specified in the Gas Act 1986 and condition 2, it is the duty of the Gas Distributor in conducting its gas activities to take such steps as are reasonable and practicable to minimise any adverse environmental effects of those activities.
4.
  - (1) The price charged for gas must not exceed the corresponding price charged for gas supplied by the Gas and Fuel Corporation of Victoria to gas users in the metropolitan area of Melbourne, Victoria.
  - (2) The Gas Distributor is not entitled to charge a greater price until it has notified the Gas Council of New South Wales in writing of its intention to do so.
5.
  - (1) The Gas Distributor must keep, in respect of its Gas Supply Business, records for each year commencing 1 July, showing details of its undertakings including the following:
    - Quantity of gas purchased, manufactured and reticulated.
    - Statistics of gas sales, revenues and numbers of gas users by domestic tariff, other tariff and contract classes.
    - Kilometres of gas mains.
    - Peak demand quantities.
    - Work code statistics resulting from gas user inquiries and complaints.
    - Numbers of new connections and disconnections.
    - Statistics relating to tariff rebates, tariff concessions granted and other community service obligations performed.
  - (2) Not later than 3 months after the end of each Relevant Year the Gas Distributor must forward to the Gas Council of New South Wales a copy of the records kept under paragraph (1).