



**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:

| | |
|---|---|
| Act | <i>Gas Supply Act 1996 (NSW)</i> . |
| approved scheme | 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. |
| business rules | The rules of an entity, established under an <i>approved scheme</i> , governing the operation of <i>retail market business systems</i> . |
| conditions | These <i>conditions</i> made by the <i>Minister</i> under s 11 (1) (b) of the Act, expressed in this document as clauses. |
| designated distribution pipeline | 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. |
| Director-General | The <i>Director-General</i> of the Ministry of Energy and Utilities. |
| FRC obligations | 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 Act, the <i>Gas Supply (Natural Gas Retail Competition) Regulation 2001</i> and conditions imposed by the <i>Minister</i> . |
| gas | Natural gas. |
| Minister | The <i>Minister</i> responsible for administering the Act. |
| Network Code | 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 |
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| 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 |