



AUSTRALIAN
CAPITAL TERRITORY

SPECIAL

GAZETTE

No. S243, Monday 21 December 1992

GAS ACT 1992

DETERMINATION OF CONDITIONS FOR RETICULATION OF GAS Determination No. 184 of 1992

WHEREAS by virtue of Subsection 36(5) of the *Gas Act 1992*, AGL Canberra Limited is granted an authorisation to reticulate gas in the Australian Capital Territory –

- (a) For a period of 20 years beginning on the day on which that Subsection commences; and
- (b) Subject to such conditions as the Minister may, by instrument, determine

Now I, **TERENCE CONNOLLY**, Minister for Urban Services, **DETERMINE** that the conditions on which AGL Canberra Limited may reticulate gas in the Australian Capital Territory are the conditions set out in the Schedule hereto.

Dated the 16 day of December 1992


TERENCE CONNOLLY
Minister for Urban Services

Printed by Liz Harley, ACT Government Printer
by the authority of the ACT Executive



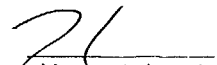
GAS ACT 1992

SCHEDULE TO

DETERMINATION OF CONDITIONS FOR RETICULATION

OF GAS BY AGL CANBERRA LIMITED

This is page 1 of the Schedule to the Instrument of Determination under Subsection 36(5) of the
Gas Act 1992 signed by the Minister for Urban Services on the 16TH day
of December 1992.



Minister's Initials



INDEX

	CONDITIONS	Page
1-2	Definitions	1
3	Area Covered by Authorisation	2
4	Compliance with Laws	2
5	Gas Supply Business Activities	3
6	Restrictions on Non-Gas Activities	4
7	New Activities	4
8	Authorised Distributor to Notify Authority of a Change in Activities	5
9	Safety of Gas Reticulation System	5
10	Environment Protection	5
11	Emergency Service	5
12-13	Efficient Use of Gas	6
14-17	Price Control	7
18-20	Price Control Reviews	8
21	Pensioner Discounts	9
22	Publication of Tariff Changes	10
23	Explanation of Tariff Procedures	10
24-26	Contract Customers	11

This is page 2 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



4. Gas Act 1992

	CONDITIONS	Page
27	Levies	11
28-36	Keeping of Accounts, Books and Records	11
37-38	Keeping of Other Records and Making Them Available to the Authority	14

This is page 3 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



CONDITIONS OF AUTHORISATION

DEFINITIONS

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

"Authorised Distributor" means AGL Canberra Limited;

"Authority" means the Gas Authority established by the Act;

"contract customer" means any customer contracting to purchase ten terajoules or more per annum;

"financial year" means a year commencing 1 July;

"gas" has the meaning given by the Act;

"gas activity" has the meaning given by the Act;

"Gas Supply Business" has the meaning given by condition 5;

"NSW" means the State of New South Wales;

"Registered Company Auditor" means an auditor registered under Part 9.2 of the Corporations Law;

"relevant premises" means the Gas Distributor's registered office required under Section 217 of the Corporations Law, or any premises of the Authorised Distributor which are open to members of the public;

"relevant year" means a financial year commencing with the year 1992-1993;

This is page 4 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



6. Gas Act 1992

"Tariff" means the price structure applicable to tariff customers and includes, without limitation, any standing or minimum charge forming part of that structure;

"tariff customer" has the meaning given by the Act;

"the Act" means the *Gas Act 1992*;

"the Manual" has the meaning given by the Act.

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

AREA COVERED BY THE AUTHORISATION

3. The Authorised Distributor can distribute gas to any part of the Australian Capital Territory.

COMPLIANCE WITH LAWS

4. The Authorised Distributor should comply with all laws in force in the Australian Capital Territory provided that breach of any law will only constitute a failure to comply with this Authorisation where there are wilful, persistent and serious breaches of the law in the conduct of the Gas Supply Business and the Authority is of the opinion that such breaches constitute serious misconduct by the Gas Distributor in the performance of the Gas Supply Business.

This is page 5 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.

ZL
Minister's Initials



GAS SUPPLY BUSINESS ACTIVITIES

5. For the purposes of this Determination the Authorised Distributor's "Gas Supply Business" –

- (a) means the procurement, storage, transmission and distribution of gas for sale and safe delivery through pipes to customers in the Australian Capital Territory; the provision of remedial and other services to customers in the Australian Capital Territory in furtherance of the safe and proper use of gas or gas fittings; and research and development; and in this paragraph:

"procurement" means the acquisition of gas by the Authorised Distributor from its supplier or suppliers;

"storage" means all storage of gas after its procurement by the Authorised Distributor;

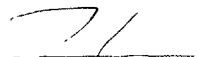
"transmission" means the haulage of gas in pipes other than those owned by the Authorised Distributor or a related corporation;

"distribution" means the conveyance of gas belonging to the Authorised Distributor to other persons;

"research and development" means research and development activities undertaken by, or on behalf of, the Authorised Distributor for the purpose of, or in connection with, the procurement, treatment, storage, transmission and distribution of gas as defined in this paragraph, the safe or efficient use of gas or gas fittings or the development of new applications for, and the means for manufacturing, gas; and

- (b) includes, to the extent that they are undertaken by the Authorised Distributor for the purpose of the activities referred to in paragraph (a) above, the following –

This is page 6 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



8. Gas Act 1992

- (i) 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;
- (ii) commercial and administrative functions including –
 - planning;
 - purchasing and stores;
 - marketing and promotion of gas;
 - gas advisory services;
 - accounting and finance;
 - information systems;
 - personnel management;
 - any other general management and administrative activities; and
- (c) does not include appliance retailing, installation, maintenance and servicing, exploration for gas, information systems not directly related to the Gas Supply Business of the Authorised Distributor, or sale or transmission of gas outside the Australian Capital Territory or to NSW.

RESTRICTIONS ON NON-GAS ACTIVITIES

6. The Authorised Distributor must not carry on any business activity in the Australian Capital Territory other than a gas activity.

NEW ACTIVITIES

7. The Authorised Distributor must not carry on a new gas activity without the approval, in writing, of the Authority.

This is page 7 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16TH day of December 1992.


Minister's Initials



AUTHORISED DISTRIBUTOR TO NOTIFY AUTHORITY OF A CHANGE IN ACTIVITIES

8. The Authorised Distributor must give the Authority at least 12 months' notice in writing, or such lesser period as the Authority may approve, of any change in its gas activities which will result in a substantial decrease in the supply of gas to consumers in the Australian Capital Territory.

SAFETY OF THE GAS RETICULATION SYSTEM

9. It is the duty of the Authorised Distributor to develop and maintain a safe system of gas reticulation, in accordance with the Manual.


ENVIRONMENT PROTECTION

10. Subject to the duties specified in the Act and in condition 9, it is the duty of the Authorised Distributor in conducting its gas activities to take such steps as are reasonable and practicable to minimise any adverse environmental effects of those activities.

EMERGENCY SERVICE

11. The Authorised Distributor must:
- (a) 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 Authorised Distributor;
 - (b) make effective arrangements for the receipt at each of the Authorised Distributor's relevant premises during its normal opening hours of such reports made in person;

This is page 8 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 15th day of December 1992.


Minister's Initials



10. Gas Act 1992

- (c) ensure that adequate publicity is given of the ways in which it can be contacted for the purpose of reporting such escapes;
- (d) make safe, whether by discontinuing the supply of gas or otherwise, free of charge to consumers, provided that consumers may be liable for the cost of repairs associated with an escape; and
- (e) make details of its emergency service available when requested by any person. These details must state the Authorised Distributor's obligation referred to in paragraph (d) of this condition.

EFFICIENT USE OF GAS

12. It is the duty of the Authorised Distributor within four months after this Determination comes into force and after consulting the Authority:
- (a) to prepare statements setting out general information for the guidance of tariff customers in the efficient use of gas supplied to them, both through the use of gas appliances and through the taking of other steps;
 - (b) to send a copy of any such statement and each revision of it to the Authority;
 - (c) to make available for inspection a copy of each statement in its latest form to members of the public at each of the relevant premises during its normal opening hours; and
 - (d) to give or send a copy of each such statement in its latest form to any person requesting it.

This is page 9 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992


Minister's Initials



13. It is the duty of the Authorised Distributor, within four months after this Determination comes into force and thereafter upon each revision or at intervals not exceeding three years, to give to the Authority and to send to each contract customer a statement describing the advisory and other services provided by the Authorised Distributor to contract customers relating to the efficient use of gas.

PRICE CONTROL

14. The Tariffs charged by the Authorised Distributor for gas supplied to tariff customers are to be identical to whichever are the lower of the Tariffs charged by AGL Sydney Limited in metropolitan Sydney or City of Goulburn Gas and Coke Company Limited in the City of Queanbeyan to customers using comparable amounts of gas.
15. In the event of:
- (i) any increase in the levy under the *Gas Levy Act 1991* or Part V of the Act or the imposition of any new levy, tax or charge on the Authorised Distributor; or
 - (ii) any decrease in the levy under the *Gas Levy Act 1991* or Part V of the Act or any other levy, tax or charge imposed on the Authorised Distributor;

the Authorised Distributor's Tariffs determined by condition 14 will be increased or decreased by an amount, expressed as a percentage, equal or approximately equal to the increase or decrease, as the case may be, in levies, taxes or charges.

16. In the event of:
- (i) any increase or decrease in a charge to AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited under Section 171 of the NSW Local Government Act; or

This is page 10 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



12. Gas Act 1992

- (ii) the imposition of any other levy, tax or charge on AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited, which is not an "Allowable Gas Cost" for the purpose of the Price Control Formula applying in Sydney or Queanbeyan;

there will be no change to the Authorised Distributor's Tariffs determined by condition 14.

17. In the event of:

- (i) any increase in the levies imposed on AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited under the *Gas Act 1986* (NSW) and the *Energy Administration Act 1987* (NSW); or
- (ii) any decrease in the levies imposed on AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited under the *Gas Act 1986* (NSW) and the *Energy Administration Act 1987* (NSW); or
- (iii) the imposition of any other levy, tax or charge on AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited which are defined as "Allowable" Gas Costs" for the purposes of the Price Control Formula applying in Sydney or Queanbeyan;

the Authorised Distributor's Tariffs determined by condition 14 will be decreased or increased by an amount, expressed as a percentage, equal or approximately equal to the increase or decrease in levies, taxes or charges imposed on AGL Sydney Limited or City of Goulburn Gas and Coke Limited, as the case may be.

PRICE CONTROL REVIEWS

- 18. Price control reviews will be undertaken by the Authority, in consultation with the Authorised Distributor:
 - (a) after four years have elapsed from commencement of the Determination or implementation of the results of a previous review; or

This is page 11 of the Schedule to the Instrument of Determination under Subsection 36(5) of the *Gas Act 1992* signed by the Minister for Urban Services on the 16th day of December 1992


Minister's Initials



- (b) because a proposal for a review due to special or exceptional circumstances, made under Subsection 39(1) of the Act, is either not objected to, or is objected to under Subsection 39(3) of the Act and is subsequently recommended by a Review Panel.
19. "Special or exceptional circumstances" will include circumstances affecting the relevant Tariffs of AGL Sydney Limited or City of Goulburn Gas and Coke Company Limited and the cost and profit structures of the company or companies upon which these Tariffs are based; circumstances affecting the nature of the relationship between these Tariffs and the Authorised Distributor's Tariffs; or other circumstances considered by the Authority, the Authorised Distributor or a Review Panel to be special or exceptional.
20. Should the Authority and Authorised Distributor agree that the gas price control mechanism provided for in condition 14 is no longer appropriate then an amendment to this condition shall be proposed to provide for an alternative price control mechanism. In determining such new mechanism, regard may be given to the costs and profits of the Authorised Distributor, a "CPI-X" formula of the nature used in AGL Sydney Limited's Authorisation with an appropriate "efficiency factor", and any appropriate independent accounting advice. The goal of any new mechanism shall be to maintain as far as practicable consistency with gas prices of AGL Sydney Limited and City of Goulburn Gas and Coke Company Limited in the City of Queanbeyan.

PENSIONER DISCOUNTS

21. The Authorised Distributor must offer to each pensioner who holds a health benefit card discounts which are comparable to those offered in relation to whichever of the Tariffs charged by AGL Sydney Limited in metropolitan Sydney or City of Goulburn Gas and Coke Company Limited in the City of Queanbeyan upon which Tariffs are based, pursuant to condition 14.

This is page 12 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



14. Gas Act 1992

PUBLICATION OF TARIFF CHANGES

22. Prior to variations of Tariffs as permitted by condition 14, the Authorised Distributor must first notify the Authority and then have published, by way of advertisements in a daily newspaper circulated in the Territory, the Tariffs to be charged to the various classes of tariff customers and the effective dates of those Tariffs.

EXPLANATION OF TARIFF PROCEDURES

23. The Authorised Distributor must:

- (a) within four months after the date on which this Determination comes into force, prepare statements explaining the nature of service, connection fees, Tariffs, methods by which and principles on which the Tariffs are determined and procedures for payment of gas bills (including guidance to domestic tariff customers if they have difficulty in paying);
- (b) send a copy of any such statement and each revision of it to the Authority;
- (c) make available for inspection a copy of each statement in its latest form to members of the public at each of the relevant premises during its normal opening hours; and
- (d) give or send a copy of each such statement in its latest form to any person requesting it.

This is page 13 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



CONTRACT CUSTOMERS

24. The Authorised Distributor can enter into contracts for the supply of gas to contract customers.
25. Within one month of a contract with a commercial or industrial customer for the supply of gas being entered into, the Authorised Distributor must notify the Authority of the name of the contract customer and the volume of gas contracted to be supplied.
26. Within one month of the end of each relevant year, the Authorised Distributor must forward to the Authority a list showing the names of its contract customers and the volume of gas supplied during that relevant year.

LEVIES

27. Returns required under Section 8 of the Gas Levy Act 1991 and Section 47 of the Act must be accompanied by a certificate signed by a Registered Company Auditor certifying that, in the auditor's opinion, the return complies with the relevant provision of the Act and that the particulars furnished are correct.

KEEPING OF ACCOUNTS, BOOKS AND RECORDS

28. The Authorised Distributor must 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 Authorised Distributor from those of any other business of the Authorised Distributor.

This is page 14 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



16. Gas Act 1992

29. The Authorised Distributor must prepare, on a consistent basis from its accounting records in respect of each relevant year, an accounting statement 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 and liabilities of, or reasonably attributable to, the Gas Supply Business.
30. The accounting statement prepared under condition 29 must show separately and in adequate detail the amount of any revenue, cost, asset or liability which has been either:
- (a) charged from or to any other business of the Authorised Distributor; or
 - (b) determined by apportionment between the Gas Supply Business and any other business of the Authorised Distributor;
- together with a description of the basis of the charge or apportionment.
31. The Authorised Distributor must prepare, on a consistent basis from its accounting records in respect of the first six months of each relevant year, an interim profit and loss account in respect of the Gas Supply Business.
32. The Authorised Distributor must procure, in respect of each set of accounting statements prepared in accordance with condition 29 in respect of each relevant year, a report signed by a Registered Company Auditor and addressed to the Authority certifying that, in the Registered Company Auditor's opinion, the accounting statement 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.
33. The Authorised Distributor must deliver to the Authority a copy of the account referred to in condition 31 as soon as reasonably practicable and in any event not later than three months after the end of the period to which it relates.

This is page 15 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



34. The Authorised Distributor must deliver to the Authority the accounting statements referred to in condition 29 and the report referred to in condition 32 as soon as reasonably practicable and in any event not later than six months after the end of the relevant year to which they relate.
35. Except with the prior written approval of the Authority, which must not be unreasonably withheld and which shall be deemed to be granted unless refused within two months of the receipt by the Authority of an application from the Authorised Distributor, the Authorised 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 30 from that used in respect of the previous relevant year.
36. Accounting statements in respect of a relevant year prepared under condition 29 must, so far as reasonably practicable having regard to the purposes of these conditions –
 - (a) have the same content (in relation to the Gas Supply Business) as the annual accounts of the Authorised Distributor prepared under the Corporations Law and be prepared in accordance with the general rules and format and use the accounting principles and rules applicable to those accounts;
 - (b) state the accounting policies used; and
 - (c) with the exception of the amounts and the basis of charge or apportionment respectively referred to in condition 30, be published with the annual statutory accounts of the Gas Distributor or in such other way as will bring their contents to the attention of gas consumers and prospective gas consumers generally.

This is page 16 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials



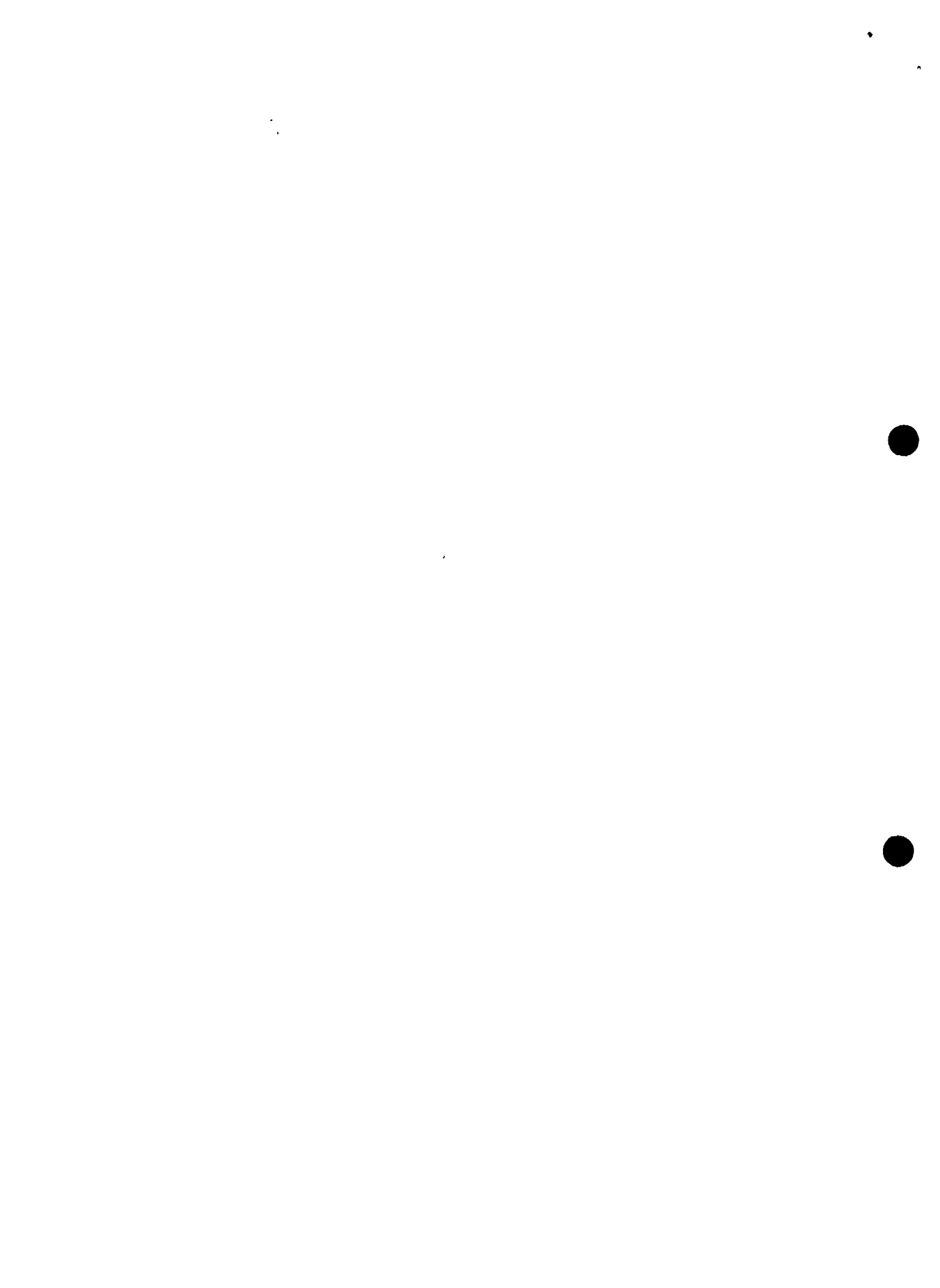
18. Gas Act 1992

KEEPING OF OTHER RECORDS AND MAKING THEM AVAILABLE TO THE AUTHORITY

37. The Authorised Distributor must keep, in respect of its Gas Supply Business, records for each relevant year showing details of its undertakings including the following:
- (a) Quantity of gas purchased for supply within the Australian Capital Territory.
 - (b) Statistics on gas sales, revenues and numbers of customers by domestic, commercial and industrial tariff and contract classes.
 - (c) Cumulative and additional kilometres of mains laid.
 - (d) Cumulative and additional connections and disconnections.
 - (e) Statistics on customer enquiries and complaints based on customer contact records.
 - (f) Peak demand quantities.
 - (g) Statistics relating to tariff rebates, discounts or concessions granted and other community services obligations performed.
38. Not later than three months after the end of each relevant year the Authorised Distributor must forward to the Authority a summary of the records kept under condition 37.

This is page 17 of the Schedule to the Instrument of Determination under Subsection 36(5) of the Gas Act 1992 signed by the Minister for Urban Services on the 16th day of December 1992.


Minister's Initials

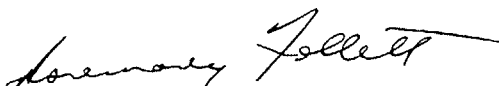


Electoral Act 1992

NOTICE OF COMMENCEMENT

Under subsection 2(2) of the *Electoral Act 1992*, I fix 21 December 1992 as the day on which the uncommenced provisions of that Act commence.

Dated: 17th December 1992



ROSEMARY FOLLETT

Chief Minister