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**10 October 2022**

***ATCO Gas Australia –Reference Service Proposal 2025 – 2029 Access Arrangement***

AGL would like to take this opportunity to comment on the ATCO Gas Australia Pty Ltd (ATCO) Reference Service Proposal for its Western Australian gas distribution network for the period from 1 January 2025 to 31 December 2029 (Reference Service Proposal).

AGL is broadly supportive of the Reference Service Proposal and notes the ATCO responses to feedback previously provided by AGL and other retailers and the subsequent positions taken by ATCO in relation to that feedback. AGL continues to work with ATCO to provide better service to Western Australia's gas customers.

AGL would like to provide some additional comments regarding the Reference Service Proposal.

**Disconnection Process and Cut and Cap Service**

AGL believes that there may be some gaps in the completeness of the disconnection services provided by ATCO.

AGL recently noted that a customer requested and paid for a disconnection service, but AGL then received an invoice from ATCO for an AEMO MIRN abolishment fee. At that time, AGL had no customer to pass this fee onto. AGL considers that when a retailer requests this service then it should incorporate all relevant fees. Similarly, if this service is requested directly by a customer (which seems to be a large number of instances) then ATCO should invoice the customer for all fees, including external fees such as AEMO fees, and not pass on charges to a retailer who has no relevant customer.

**Hydrogen Blending**

AGL notes the comments in relation to investigating hydrogen blending but no changes being made to reference services at this time. AGL sees this as an excellent opportunity for both ATCO and Retailers to better understand the issues which may arise from blending processes.

AGL also notes that ATCO intends to replace a large quantity of gas residential meters over the period. AGL and other retailers have therefore suggested that smart gas meters should be further considered, especially in areas with blending such as the proposed hydrogen trial mentioned in the Reference Service Proposal.



More refined gas meter data may be highly beneficial in the future to help mitigate volumetric and Heating Value issues which directly impact customer bills.

### **Non-Reference Services**

AGL notes that the Reference Service Proposal does not provide any indication of whether the proposed non-reference services would be fixed fee or quoted service. Other networks have listed non-reference services with an indicator of whether the application fee is fixed or quoted.

This is an important aspect for retailer planning, as retailers must build additional systems and processes around quoted works vs fixed fee services. At this point, additional information indicating whether the services are likely to be fixed or quoted would be beneficial to retailer assessment.

AGL appreciates the separation between reference and non-reference services due to either the unpredictable usage of the service or the variable work required to complete. We recognise the unpredictable volume may make a service a non-reference service but if the work is standard (e.g., remove lock after hours or special read at appointment) then these could be fixed fee services. AGL understands that where the work required is highly variable then the service should be quoted.

Regarding the detailed services, AGL would:

- suggest that the 'Apply a TAC/ Removing a TAC' services should be designated as fixed charges. AGL would expect the effort in applying or removing a TAC is consistent and able to be calculated. The retailer likely bears this charge so setting as a fixed cost would allow the retailer to assess whether it is worth utilising; and
- query the benefits of a 'Priority Removing a TAC' service over a normal service given it is business hours only. If useful, AGL suggest that this service be better identified in the same structure as remove meter lock services (i.e. same day, same day after hours, next b/day).

Should you have any questions in relation to this submission, please contact me at

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Yours sincerely

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Patrick Whish-Wilson  
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