



Notice

12 November 2021

Mid-West and South-West Gas Distribution Systems

Reference Tariff Variation – 1 January 2022

The Economic Regulation Authority has approved an annual reference tariff variation proposed by ATCO Gas Australia for the Mid-West and South-West Gas Distribution Systems (GDS). The haulage reference tariffs will increase by around 3.5 per cent, except for the B3 fixed charge which will increase by 3.01 per cent. Ancillary reference services will increase by 2.5 per cent.

The GDS access arrangement provides for an annual tariff variation to adjust for the differences in forecast and actual inflation, cost pass-through events and updating the calculation of the rate of return. ATCO provide an update to the inflation and estimate of the rate of return and for three cost pass-through events.

The proposed haulage reference tariffs are increased as a result of actual inflation higher than forecast inflation and for the cost pass-through events, which is partially offset by the lower debt risk premium used to calculate ATCO's rate of return. The ten-year trailing average used to estimate the debt risk premium is lower than the value determined last year, as a lower 2022 value replaces the 2012 value. The ancillary reference tariffs are only increased for higher than forecast inflation.

The ERA has verified that ATCO's proposed variation is in accordance with the current GDS access arrangement.

ATCO's proposal and the approved reference tariffs from 1 January 2022 are available on the ERA [website](#).

Further information

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