



# **Notice**

15 September 2022

# Reference service proposal for the Mid-West and South-West Gas Distribution Systems

Invitation for public submissions

On 1 September 2022, ATCO Gas Australia (ATCO) submitted a <u>reference service proposal</u> for the Mid-West and South-West Gas Distribution Systems, which it operates. This is a regulated gas network that is required to have an approved access arrangement. The ERA is responsible for approving the access arrangement, which sets out the terms, conditions and prices under which third party users can access some pipeline services that are provided (or to be provided) via the gas distribution system.

ATCO's natural gas distribution system services Geraldton, Eneabba, Bunbury, Busselton, Harvey, Pinjarra, Kemerton, Capel and the Perth greater metropolitan area, including Mandurah.

ATCO has proposed 12 reference services for the next access arrangement period commencing on 1 January 2025, which includes the existing reference services from the current access arrangement period and introduces one new service (the 'cut and cap service pipe at the main' – a disconnection service).

In developing its reference service proposal, ATCO conducted its own consultation with stakeholders. The National Gas Rules require the ERA to undertake its own consultation process before assessing ATCO's proposal. The ERA has until 1 March 2023 to publish a reference service proposal decision.

The approved references services will form part of ATCO's access arrangement proposal, which ATCO must submit to the ERA by 1 September 2023. ATCO's access arrangement proposal will set out the terms, conditions and prices for the approved reference services, along with proposed revisions to other access arrangement provisions.

## **Background**

The National Gas Rules require that a reference service proposal be submitted to the ERA for assessment prior to the submission of an access arrangement proposal.

The reference service proposal is focused on identifying the services that can be offered by the pipeline and determining which of these services should be specified as a reference service under the access arrangement. A "reference service" is a pipeline service that has a reference tariff and other terms and conditions set (approved) by the regulator under the access arrangement framework, with the "reference tariff" being the price that the pipeline operator can charge its customers. The reference service and reference tariff may form the basis for arbitration in the event of an access dispute.

In July 2022, the ERA published a <u>gas access arrangement guideline</u>. This guideline covers the procedural matters related to access arrangements that fall within the framework for the economic regulation of gas pipelines within Western Australia, and the role of the ERA in administering this regulatory scheme. Interested parties are encouraged to refer to the guideline to further their understanding of the access arrangement framework and the procedures involved in undertaking this assessment of ATCO's reference service proposal.

### Invitation for submissions

The ERA invites interested parties to make submissions on ATCO's reference service proposal.

Submissions close 4:00 pm (WST) Monday, 10 October 2022.

Submissions should be lodged online using the ERA's submission portal: <a href="https://www.erawa.com.au/consultation">www.erawa.com.au/consultation</a>

### **Further information**

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