



# Notice

14 November 2022

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

### Decision

The Economic Regulation Authority has published a [decision](#) approving the reference services set out in the ATCO Gas Australia (ATCO) [reference service proposal](#) for the Mid-West and South-West Gas Distribution Systems.

ATCO operates the gas distribution systems that service Geraldton, Bunbury, Busselton, Harvey, Pinjarra, Brunswick Junction, Capel and the Perth greater metropolitan area (including Mandurah). ATCO's gas network is a regulated gas pipeline and is required to have an approved access arrangement.

The ERA's decision approves the 12 reference services proposed by ATCO. These services include the reference services from ATCO's current access arrangement (operating from 1 January 2020 to 31 December 2024) and one new service – the “cut and cap service pipe at the main”, which is a disconnection service.

In making its decision the ERA assessed ATCO's reference service proposal to ensure compliance with the requirements of the National Gas Rules. The approved reference services will form part of ATCO's access arrangement proposal for the next access arrangement period, which is due to commence on 1 January 2025.

ATCO must submit its access arrangement proposal to the ERA by 1 September 2023. This 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.

On 1 September 2022, ATCO submitted a reference service proposal to the ERA.

The ERA published ATCO's proposal on 15 September 2022 and invited submissions from interested parties over a 15-business day consultation period. The ERA received two submissions, which were broadly supportive of ATCO's proposed reference services.

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.

### **Further information**

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