





30 November 2018

## Mid-West and South-West Gas Distribution Systems REFERENCE TARIFF VARIATION – 1 JANUARY 2019

The Economic Regulation Authority has approved an annual reference tariff variation for the Mid-West and South-West Gas Distribution Systems (GDS). The approved reference tariffs are around 9.5 per cent lower for industrial/commercial customers and the average residential customer.

Between 2015 and 2019, the annual nominal charge for the average residential customer has decreased by around 30.6 per cent.

The GDS access arrangement provides for an annual tariff variation to lower the price path, adjust for inflation, pass-through costs for specified events and to update the calculation of the rate of return.

The price path set by the ERA's final decision on the GDS' fourth access arrangement on 10 September 2015 is the main reason why reference tariffs have decreased. The owner, ATCO Gas Australia Pty Ltd, proposed two cost pass-through events and provided an update to the inflation and estimate of the rate of return.

The ERA has verified that the proposed variation complies with the current GDS access arrangement.

ATCO's proposal and the approved reference tariffs from 1 January 2019 are available on the <u>ERA website</u>.

## **Further information**

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