

Economic Regulation Authority's Revised Access Arrangement Decision for the Mid-West and South-West Gas Distribution System

10 September 2015

Economic Regulation Authority

WESTERN AUSTRALIA

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Introduction

1. On 17 March 2014, ATCO Gas Australia Pty Ltd ACN 089 531 975 (**ATCO**) submitted its revised access arrangement proposal, access arrangement information and other supporting information for the Mid-West and South-West Gas Distribution Systems (**GDS**) to the Economic Regulation Authority (**Authority**) for approval under the *National Gas Access (Western Australia) Law (NGL(WA))* and the *National Gas Rules (NGR)*, which both have force in Western Australia by virtue of the *National Gas Access (WA) Act 2009 (NGA(WA))*.
2. Under rule 59 of the NGR, the Authority issued its Draft Decision regarding ATCO's revised access arrangement proposal for the GDS on 14 October 2014. The Draft Decision listed 45 amendments to the revised access arrangement proposal that would be required before the Authority would be prepared to approve the revised access arrangement proposal.
3. On 23 December 2014, ATCO submitted to the Authority an amended version of its revised access arrangement proposal for the GDS and supporting information, as allowed by rule 60(1) of the NGR.
4. On 30 June 2015, the Authority issued its Final Decision regarding ATCO's amended revised access arrangement proposal for the GDS, which was published on 1 July 2015. Under rule 62(2) of the NGR, the Final Decision of the Authority was to not approve ATCO's amended revised access arrangement proposal. As a consequence, the Authority was required by rule 64 of the NGR to propose revisions to the access arrangement for the GDS, which the Authority did by its Final Decision.
5. Under rule 64 of the NGR, if the Authority makes a final decision to not approve an access arrangement proposal, the Authority must itself propose an access arrangement or revisions to the access arrangement (as the case requires). The Authority is also required to make a decision giving effect to its proposed revisions to the access arrangement within two months of the issue of the final decision. This document constitutes that decision.
6. On 21 August 2015, the Authority issued a public notice inviting interested parties to make submissions on proposed amendments to the Final Decision, as subsequent to the publication of the Final Decision, the Authority was made aware by ATCO and other parties of issues that required corrections and points of clarification. Additionally, the Authority proposed amendments for issues it identified in the course of making the required corrections.
7. On 10 September 2015, the Authority published an amended Final Decision along with its revisions to the access arrangement for the GDS and this decision (giving effect to those revisions). The amendments to the Final Decision are made by the Authority, pursuant to clause 20 of schedule 2 to the NGL(WA), to correct some errors. The Final Decision, as so amended, is the Authority's final decision on the access arrangement for the GDS, for the purposes of rule 62 of the NGR and for all other purposes. Further details about the amendments and submissions can be found in the Final Decision as amended on 10 September 2015.

Authority's Access Arrangement Revisions

Legislative requirements

8. Rule 62(2) of the NGR states:
 - 2) An access arrangement final decision is a decision to approve, or to refuse to approve, an access arrangement proposal

9. Rule 64 of the NGR states:
 - (1) If, in an access arrangement final decision, the [Authority] refuses to approve an access arrangement proposal (other than a variation proposal), the [Authority] must itself propose an access arrangement or revisions to the access arrangement (as the case requires) for the relevant pipeline.
...
 - (2) The [Authority's] proposal for an access arrangement or revisions is to be formulated with regard to:
 - (a) the matters that the Law¹ requires an access arrangement to include; and
 - (b) the service provider's access arrangement proposal; and
 - (c) the [Authority's] reasons for refusing to approve that proposal.
 - (3) The [Authority] may (but is not obliged to) consult on its proposal.
 - (4) The [Authority] must, within 2 months after the access arrangement final decision, make a decision giving effect to its proposal.
 - (5) When the [Authority] makes a decision under this rule, it must:
 - (a) give a copy of the decision to the service provider; and
 - (b) publish the decision on the [Authority's] website and make it available for inspection, during business hours, at the [Authority's] public offices.
 - (6) The access arrangement or the revisions to which the decision relates takes effect on a date fixed in the determination or, if no date is so fixed, 10 business days after the date of the decision.'

Decision

10. Pursuant to rule 62(2) of the NGR the Final Decision was to not approve ATCO's amended revised access arrangement proposal.
11. As a consequence, by the Final Decision, the Authority has proposed revisions to the access arrangement for the GDS as required by rule 64(1) of the NGR.
12. Pursuant to rule 64(2) of the NGR the Authority's revisions for the access arrangement for the GDS have been formulated having regard to the requirements of the NGL(WA) and NGR, ATCO's amended revised access arrangement proposal

¹ Under rule 3 of the NGR, "Law" is defined for the purposes of the NGR to mean NGL(WA) and the NGR.

dated 23 December 2014 and the Authority's Final Decision (as amended) published 10 September 2015.

13. In accordance with rule 64(4) of the NGR, the Authority now makes this decision to give effect to its revisions to the access arrangement for the GDS, as those revisions are shown in the mark-up of the access arrangement for the GDS, which is published with this decision. The Authority also publishes its access arrangement information for the GDS (as amended by its revisions) along with this decision.
14. Pursuant to rule 64(6) of the NGR, the revisions to the access arrangement for the GDS will take effect on and from 1 October 2015.

Appendices

Appendix 1 – Glossary

Term	Definition
Authority	The Economic Regulatory Authority of Western Australia established pursuant to the <i>Economic Regulation Authority Act 2003</i> .
Draft Decision	The Draft Decision for the fourth access arrangement review dated 14 October 2014.
Final Decision	The Final decision for the fourth access arrangement review dated 30 June 2015.
National Gas Rules	The National Gas Rules made under the <i>National Gas Access (Western Australia) Act 2009</i> .

Appendix 2 – Abbreviations

Abbreviation	For
GDS	Mid-West and South-West Gas Distribution Systems
NGA(WA)	National Gas Access (Western Australia) Act 2009 (WA)
NGL(WA)	National Gas Access (Western Australia) Law
NGR	National Gas Rules
ATCO	ATCO Gas Australia Pty Ltd
Authority	Economic Regulation Authority