

Updated overview for reference tariff schedule

On 3 June 2015, the Australian Energy Regulator (**AER**) approved revisions to Jemena Gas Networks (**JGN**) access arrangement (**AA**).¹ The AA describes the reference services that JGN offers, sets out (in Schedule 2) the initial reference tariffs that apply to those services from 1 July 2015, and includes a mechanism for variation of tariffs annually, effective 1 July.

JGN sought merits review of several key aspects of the AA revisions that the AER approved and the Australian Competition Tribunal (**Tribunal**) made its merits review decision on 26 February 2016. On 24 March 2016 the AER applied to the Federal Court for judicial review of the Tribunal's decision.

Given these legal proceedings will not have concluded by 1 July 2016, the AER has accepted an enforceable undertaking from JGN with the effect that JGN's reference tariffs for the period 1 July 2016 to 30 June 2017 will remain unchanged from those applicable in 2015-16. Future tariffs will be adjusted to offset the effect of holding tariffs unchanged once the legal proceedings come to an end and a new AER decision about JGN's AA revisions is made, including to account for any applicable cost pass-throughs in the period from 1 July 2015.²

The access arrangement is available at <http://www.aer.gov.au/> or <http://www.jemena.com.au/>. Further information on JGN's enforceable undertaking can also be found on the [AER website](#).³

All tariffs are expressed in 2016-17 dollars and are exclusive of GST.

¹ The Access Arrangement: JGN's NSW gas distribution networks, 1 July 2015 – 30 June 2020, published 3 June 2015.

² Please note that the 2016-17 reference tariffs include at section 4(k) a 'Clean Energy Act repeal settlement' tariff that was an intended one-off customer rebate to occur in 2015-16 only. While this tariff will be retained in 2016-17 in accordance with the undertaking, the revenue effect will be unwound in the next AER tariff variation process as part of the above adjustment

³ <https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/pricing-proposals-tariffs/jemena-gas-networks-nsw-annual-tariffs-2016%E2%80%9317>