

# Gas Distribution System Code of Practice Review

## Submissions received through Engage Victoria

Date submitted: 19/12/2023

Submission written by: Gas Networks Victoria Pty Ltd

On 15 November 2023 Stakeholders were invited to provide feedback on the Gas Distribution Code of Practice draft decision, via a survey through [Engage Victoria](#). On this website, the public was given the opportunity to send us responses to a set of questions we provided. Our consultation process closes on Thursday 21 December 2023.

### **Q Do you agree with the proposed introduction of upfront charges for new gas connections?**

Yes

### **Q Are there any implementation costs, advantages or disadvantages to the options considered that we should take into account?**

Distributors should be given flexibility to recognise costs that they will incur in relation to connection costs, so a high-level principle is acceptable (i.e. to reflect the costs that the distributor incurs in relation to the new connection).

Due to the unique nature of the GNV network (where gas is compressed and transported by truck by Regional Energy Victoria (REV) to each of the 10 regional towns where it is distributed by GNV, we want to ensure charges for new gas connections can cover all costs whether incurred by GNV or REV.

We also want to ensure charges for new gas connections account for different types of connections (standard v non-standard; residential v commercial).

### **Q Should the proposed code be more specific about how distributors calculate the costs of a new connection, as an upfront charge to customers?**

No

### **Q How?**

**Q Do you agree with the proposed implementation of new connection charges to begin from 1 January 2025?**

Yes

**Q Please discuss.**

GNV already charging for connections.

**Q Do you agree with the proposed definitions and processes for disconnection and abolishment?**

Yes

**Q Please discuss.**

The proposed definition for abolishment is broadly aligned with providing the customer the right to request abolishment of a connection at their cost provided operational issues (i.e. when premises is rented etc) are clarified.

We look forward to progressing discussions on the distributor initiated abolishments for unused connections.

**Q Do you agree with the proposed new provision of information obligations for gas distributors?**

Yes

**Q Please discuss.**

We are concerned there may be technical restrictions because of the nature of GNV network (i.e. for unaccounted for gas).

We would welcome the inclusion of standard industry wording for use on our website (i.e. obligations of customers).

Any notification requirements to customers should only be for where there is serious harm impact affecting the customer.

**Q Do you agree with our proposed amendments to remove duplication with other regulatory instruments and to streamline the code?**

Yes

**Q Please discuss.**

Whilst we agree with this in theory, as mentioned in previous feedback the nature of the GNV network (not being declared) means obligations should not be imposed that will require substantial investment in the GNV network.

We would welcome the opportunity to work with ESC to alternatively address compliance with these requirements through amendments to the conditions of our distribution licence.

**Q Do you agree with the removal of the overlap of metering requirements between our code and the National Gas Rules?**

Yes

**Q Please discuss.**

Whilst we agree with this in theory, as mentioned in previous feedback the nature of the GNV network (not being declared) means obligations should not be imposed that will require substantial investment in the GNV network.

We would welcome the opportunity to work with ESC to alternatively address compliance with these requirements through amendments to the conditions of our distribution licence.

**Q Should we retain the requirements in clause 7 on meter accreditation, certification and testing?**

No

**Q Please discuss.**

**Q Please share any feedback you may have on our proposed compliance and performance reporting requirements.**

We would like to reiterate that ESC should show restraint on penalties and obligations.

**Q Please share any feedback that you have on our proposed variations to gas distribution licences.**

Consideration should be given to the unique nature of the GNV network, and consultation on any variations to our licence is essential so that we can understand the implications of such changes.

**Q Can you identify any other changes to codes of practice, guidelines, licences or other instruments we may need to make as a consequence of the proposed Gas Distribution Code of Practice?**

No

**Q Please discuss.**

**Q If there are any issues with implementing the proposed Gas Distribution Code of Practice that we should consider, please outline these below.**

**Q Do you have other comments, feedback or suggestions about our draft decision or the proposed new code?**