



Retailer engagement session

Competition disclaimer

Jemena is committed to complying with all applicable laws, including the Competition and Consumer Act 2010 (CCA).

The Act covers the relationships between suppliers, wholesalers, retailers and customers. Its purpose is to promote fair trading and competition and provide protection to customers.

The provisions are aimed at deterring practices which are anti-competitive.

Therefore, in this meeting, we ask that you:

- Be mindful of the diversity of interests represented from the gas distribution network and retailers and that our customer groups intersect.
- Do not share any commercial in confidence information which may be construed as promoting or enabling a cartel, price-fixing or misuse of market power.
- Respect the opportunity to be open and share information within the Chatham House Rules:
 - ❖ This means that participants are free to use the information received but neither the identity nor the affiliation of the speakers nor that of any other participant may be revealed.
 - ❖ If you would like to be able to share any presentations or reports from the meeting, then please seek the permission of the speaker or presenter.

The Act is also responsible for the establishment of the Australian Energy Regulator. It is worth reminding ourselves that the purpose statement of the AER works under is to make all Australian energy consumers better off now and in the future.

It is in that spirit that we come together today.

Please be aware of these rules and conditions.

Acknowledgement of Country

We acknowledge the Traditional Owners of the lands upon which we operate and recognise their continuing connection to land, waters, and culture.

We pay our respects to their Elders past, present, and emerging.

Pictured: artwork by Aboriginal artist Chern'ee Sutton from Mount Isa for our Group's Reflect Reconciliation Action Plan



Agenda for today

Topics we will cover

Section 1: Welcome and engagement principles

Official welcome

Activity: what principles of engagement would you like us to follow?

2. Context and Q&A

About Jemena and background

Playback of feedback from the survey

Retailer engagement – draft timelines and topics

What is the Reference Service Proposal (RSP)? And early thinking on the RSP

Q&A – hearing from you

3. Next Steps

Activity: feedback and reflection from today's session – *what did we do well? How can we improve?*

Official thank you

Duration

20 total

10

10

60 total

12

4

4

20

20

10 total

5

5

In order to...

- 01** Get your initial thoughts and questions on JGN's Reference Service.
- 02** Understand what you think of the proposed engagement process for the 2025-30 Access Arrangement review.

Reminder: This session is being recorded

Welcome!

Our purpose today is to:

- Provide an overview of the process to review and update JGN's Reference Service for the 2025-30 Access Arrangement period
- Get your inputs to help shape our approach to retailer engagement for JGN's 2025-30 Access Arrangement review.



What principles of engagement would you like us to follow?

The 3 core principles adopted for our engagement reflect the culture of the business and ensure our 2025-2030 Plan continues to enable a customer focus in all that we do.

1

Let our **customers** and **stakeholders** views shape our regulatory proposal



2

Build **trust** and **collaborate** with customers in our regulatory proposals



3

Continue to support growth of Jemena's customer focused **culture**



IAP2 Core Values

We are inspired by the International Association for Public Participation



Context

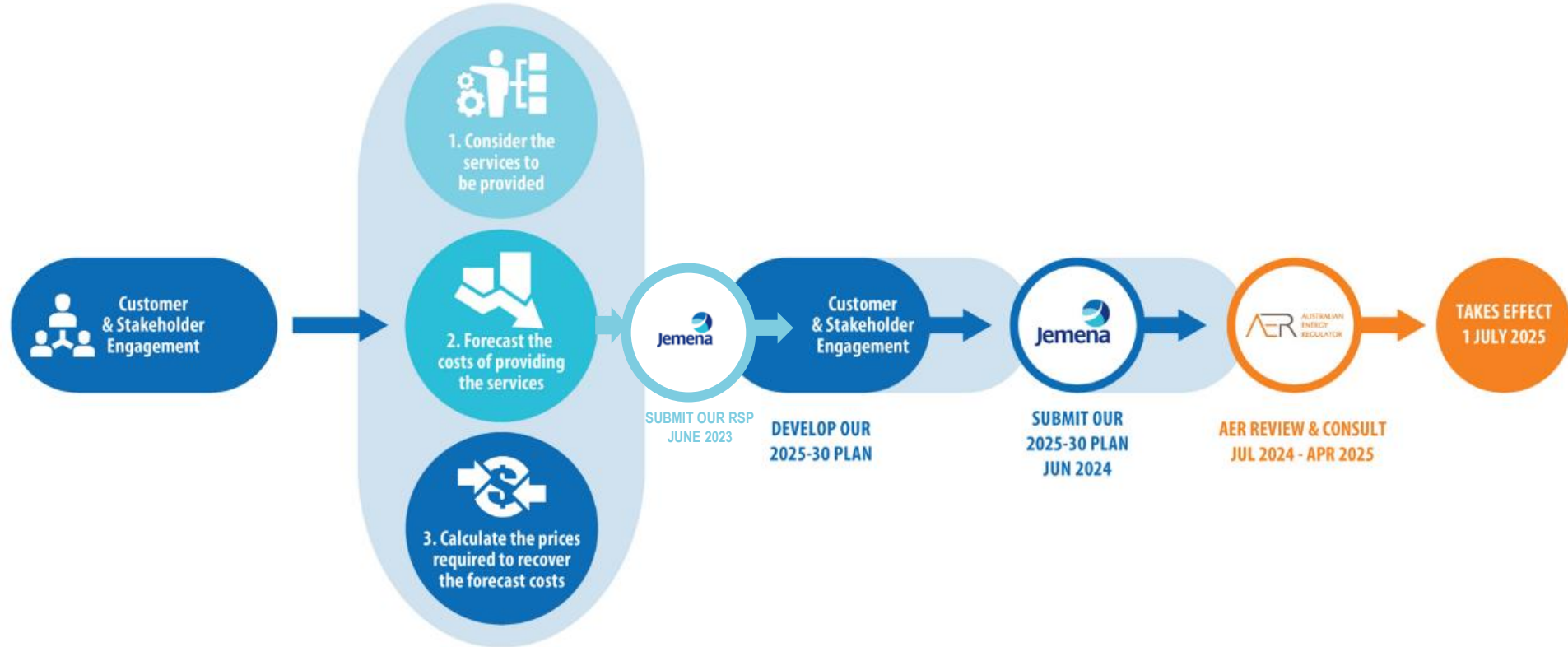


Jemena Gas Networks

- 1.5 million residential homes
- 35,000 businesses
 - Restaurants
 - Bakeries
 - Breweries
 - Coffee roasters
 - Hospitals
- 400 large industrial users
 - Power stations
 - Manufacturing (~300,000 jobs)
 - Hotels
 - Laundries
- 26,000 km of pipes

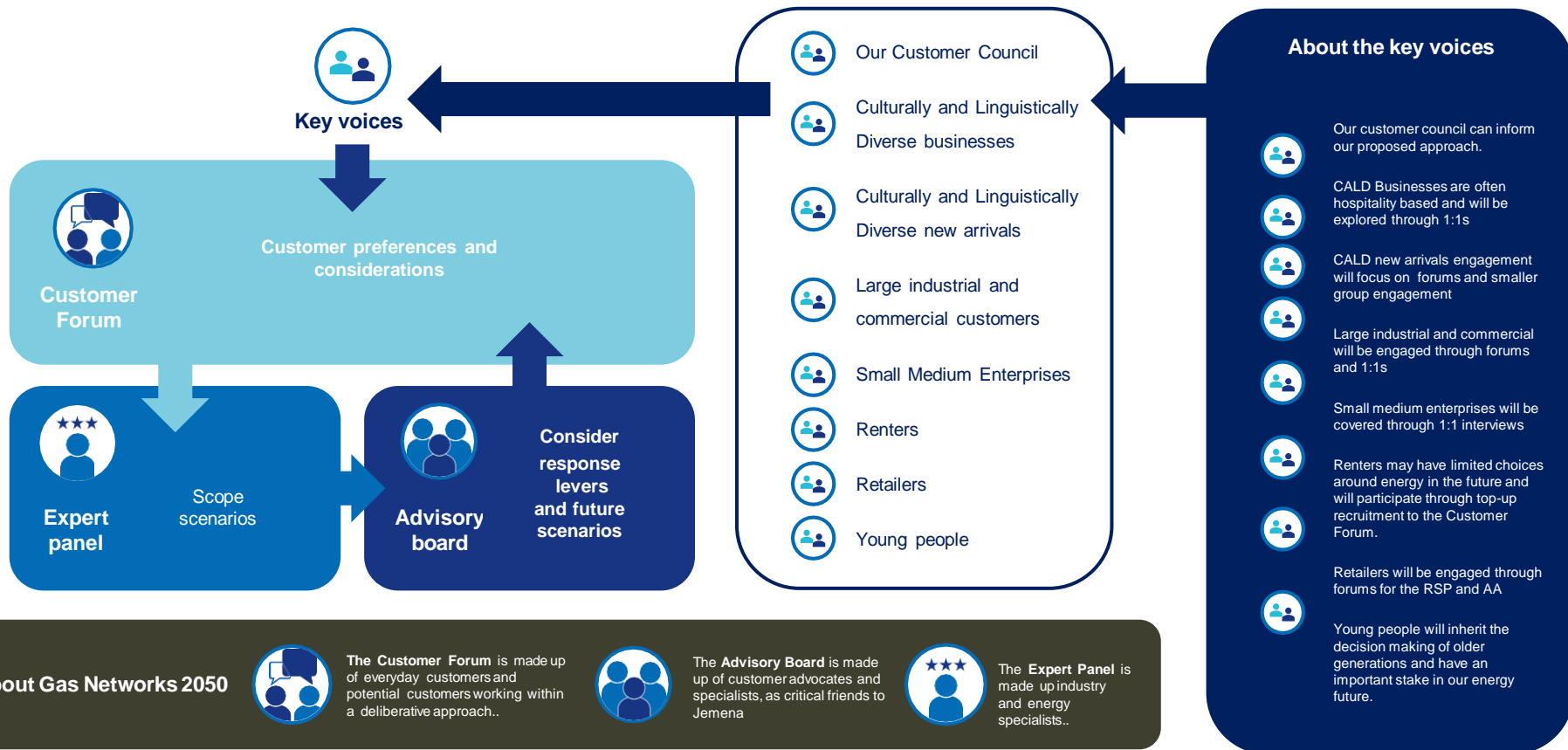


Background to the Reference Service Proposal and 2025-30 Access Arrangement review process



Engagement for Access Arrangement (AA) 2025-2030

Engagement for Jemena's access arrangement will be authentic, and rich to really listen to the diverse needs of our customers.



Playback of feedback from your survey

Your responses | Access Arrangement

“Victorian gas distribution business process was very effective...”

How would you like to be consulted on our AA?

- Deep-dive workshops
- Email
- 1:1 sessions
- Questionnaire
- Website

What topics interest you?

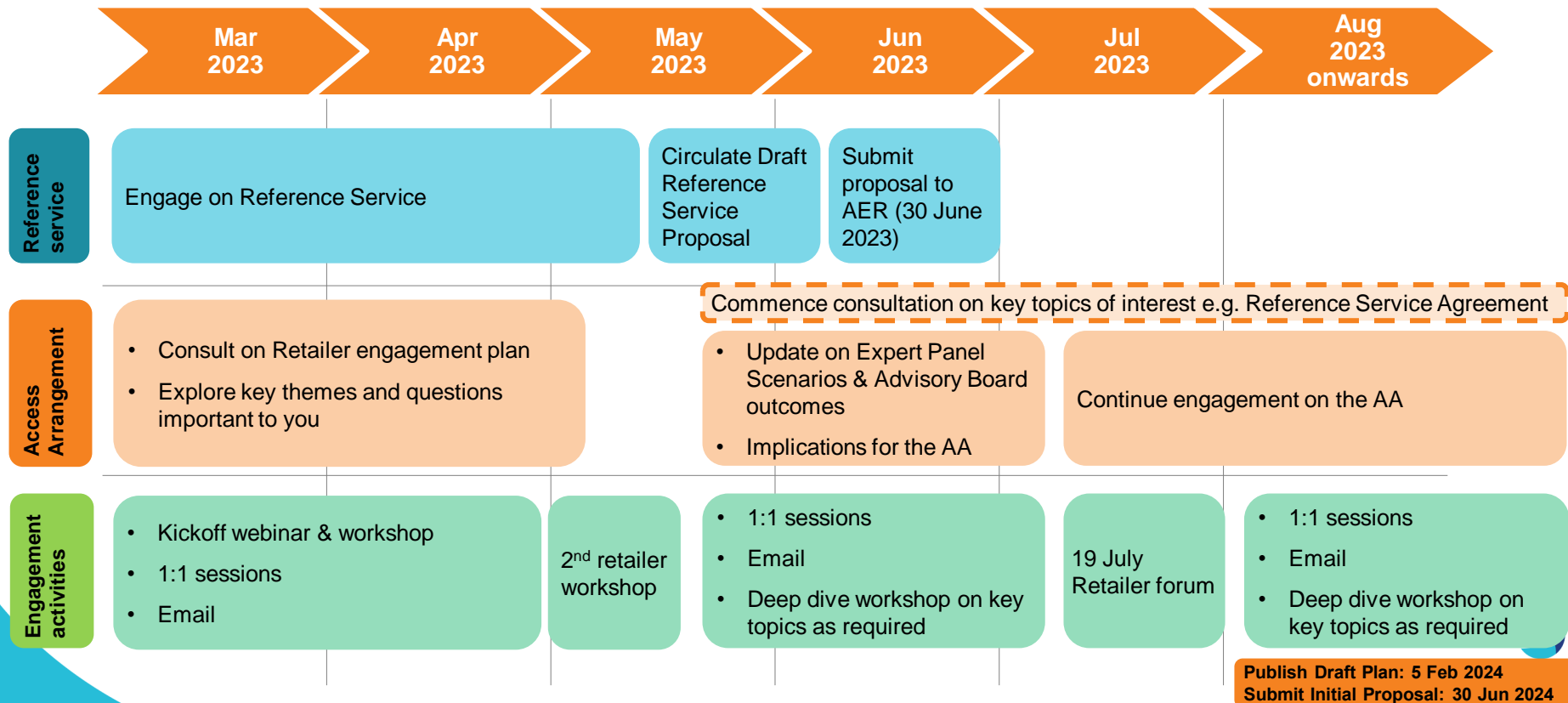
- Our proposed **expenditure**
- The **terms and conditions** of our reference service
- Our vision for **our network in 2050**
- Our **renewable gas strategy**, and what that means for our services and costs;
- The structure and level of our **charges**
- Our forecast **demand**
- Updates on impacts of NSW **Hydrogen Targets**

Your responses | Reference Service Proposal

How would you like to be consulted on our draft RSP?

- One on one sessions
- Workshops
- Email
- Questionnaire

Retailer engagement | Draft timeline



What is the Reference Service Proposal?



What is a Reference Service Proposal?

JGN is required to submit to the AER a Reference Service Proposal 12 months prior to the submission of its 2025-30 Access Arrangement proposal (Rule 47(3) NGR). Rule 47A(1) NGR requires JGN to:

- Identify all the pipeline services we can provide, and include a description of those pipeline services.
- Identify at least one service to be a reference service*.
- Have regard to the reference service factors specified in Rule 47A(15) NGR, when proposing its reference service.
- Describe any feedback from users and end-users in developing the Reference Service Proposal.

The AER must publish JGN's Reference Service Proposal and invite written submissions on the Reference Service Proposal.

*The reference service will form the basis of the prices and terms and conditions we develop for the next Access Arrangement period.



What are the reference service factors?

Rule 47A (15) in the National Gas Rules set out the Reference service factors that JGN's reference service must consider. In summary, these are:

- actual and forecast demand for the service;
- the extent to which the pipeline service is substitutable for another service;
- the feasibility of allocating costs to the service;
- the usefulness of specifying a service as a reference service in supporting access negotiations and dispute resolution for other pipeline services
- the likely regulatory cost of making a service a reference service.

JGN's current reference and non-reference services (as specified in JGN's 2020-25 Access Arrangement)

Reference services

Reference Service

Transportation of gas from a receipt point to a customer's premise including providing metering equipment and undertaking activities as requested such as

- Special meter read
- Disconnection (volume customer)
- Reconnection (volume customer)
- Abolishment (including permanent removal of meters)
- Hourly charges: non-standard retailer initiated jobs
- Disconnection and reconnection (demand customer)

Non-reference services

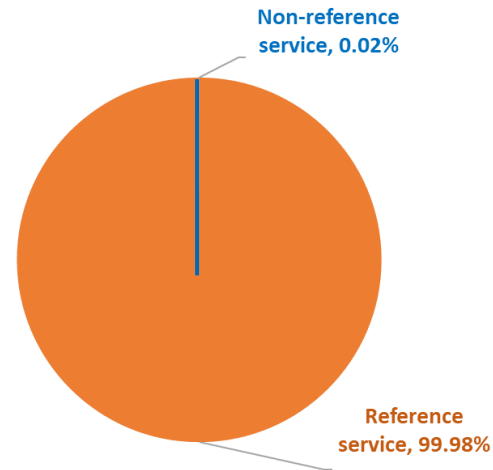
Interconnection services

- Interconnection of an offtake or a receipt point

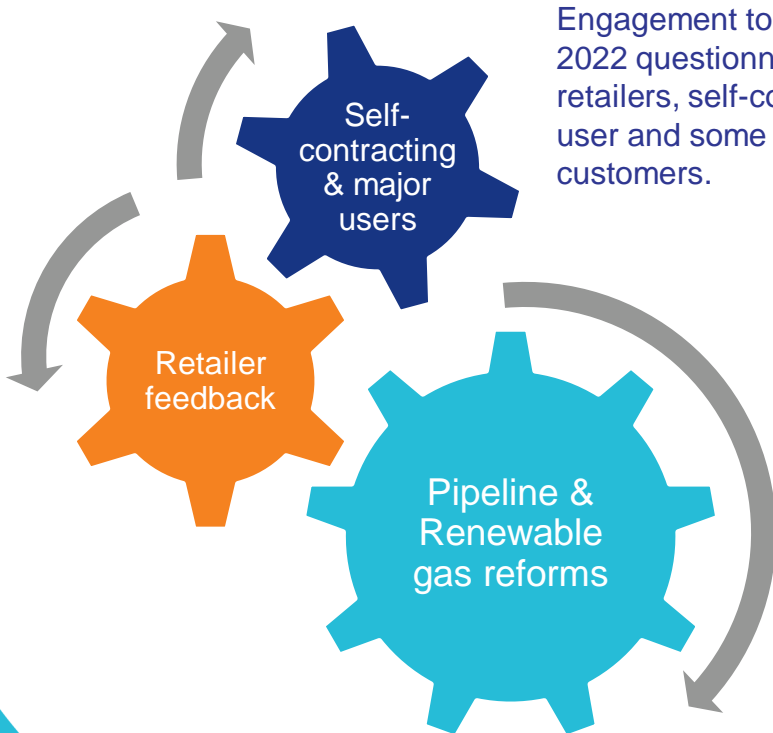
Negotiated Services

- A haulage service that is bespoke in some way. These are typically negotiated, usually with reference to relevant AA schedules

RY22 revenue breakdown



Early thinking on the Reference Service Proposal



Engagement to date – Oct 2022 questionnaire sent to retailers, self-contracting user and some demand customers.

Group	Feedback
Retailers	4 out of 5 who responded indicated that our current services meet their future business needs.
Self contracting & major users	13 out of 13 who responded indicated that our current services meet their future business needs.

- Energy Officials recently finalised a suite of reforms.
- Triggers a need to review our services to ensure consistency with the new rules.
- New rules unlikely to significantly change the nature of services currently being provided.
- Need to update the Reference Service to reflect changes in the regulatory framework, which allows transportation of gas blends.

We value your feedback.

Once we have your feedback, we will circulate a marked-up version of the Services section of our 2020-25 AA, for further consultation.

Consultation questions

Reference service proposal

Our current reference service is suitable to meet your needs during 2025-30 (agree / disagree scale)

Why do you think that? (open response)

Do you see the need for any change in the current reference service? (open response)

Should any additional activities be specified as a reference service? (open response)

Access Arrangement

Is there anything missing from our draft engagement plan for the AA?

Q&A – hearing from you!



Go to menti.com on your phone or laptop and enter the code 2766 6161 or scan the QR code!

Next steps



We want your feedback on today's session!



Go to menti.com on your phone or laptop and enter the code 8470 7340 or scan the QR code!

Thank you!

Did you feel heard today?

Please contact us if something comes up, if you didn't get a chance to raise an opportunity or issue, or if you want to discuss further: Gasnetworks2050@jemena.com.au