



Negotiated Connection Services

The Right to Negotiated Services

A connection applicant and Australian Gas Networks may negotiate a connection contract:

- (a) Where the connection service sought by the connection applicant is not a basic connection service; or
- (b) Where the connection service sought by the connection applicant is a basic connection service but the connection applicant elects to negotiate the terms and conditions on which the connection service is to be provided.

If the connection applicant elects, the negotiations may extend to any service relating to the supply of natural gas (in addition to the connection service).

The Negotiation Process

Australian Gas Networks and a connection applicant for a negotiated connection service must negotiate in accordance with the negotiation framework set out in the energy laws.

The negotiation framework governs negotiations between Australian Gas Networks and a connection applicant.

- (a) Australian Gas Networks and the connection applicant must negotiate in good faith;
- (b) The connection applicant must, at the request of Australian Gas Networks, provide Australian Gas Networks with information it reasonably requires in order to negotiate on an informed basis;
 - (i) Australian Gas Networks must provide the connection applicant with information the connection applicant reasonably requires in order to negotiate on an informed basis.
- (c) Australian Gas Networks may consult with other users of the distribution pipeline who may be adversely affected by the proposed new connection or connection alteration;
- (d) In assessing the application, Australian Gas Networks must determine:
 - (i) The technical requirements for the proposed new connection or connection alteration; and
 - (ii) The extend and costs of any necessary augmentation or extension; and
 - (iii) Any possible material effect of the proposed connection or connection alteration on the capacity of the distribution pipeline (and any other distribution pipeline that might be affected) to meet existing and future demand.
- (e) Australian Gas Networks must make reasonable endeavours to make a connection offer that complies with the connection applicant's reasonable requirements.

The following supplementary rules also apply.

- (a) If Australian Gas Networks requires information from a connection applicant (in addition to the information provided in the application), a request for the additional information must (if practicable) be made within 20 business days after Australian Gas Networks receives the relevant application.
- (b) If the connection applicant reasonably requires information from Australian Gas Networks in order to negotiate on an informed basis, Australian Gas Networks must provide the information required as soon as practicable after Australian Gas Networks receives the connection applicant's application or, if the distributor requests additional information, as soon as practicable after the distributor receives the relevant information.

Formation of a Negotiated Connection Contract

Australian Gas Networks must use its best endeavours to make a negotiated connection offer to a connection applicant within 65 business days after the date of the application for a negotiated connection service (but the time taken by a connection applicant to provide information reasonably sought by Australian Gas Networks will not be counted).

Negotiation fee

Australian Gas Networks may charge a connection applicant for a negotiated connection contract a reasonable fee to cover expenses directly and reasonably incurred by Australian Gas Networks in assessing the customer's connection application and making a connection offer.