



Queensland

*Gas Supply Act 2003*

# Gas Supply Regulation 2007

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Queensland

# Gas Supply Regulation 2007

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# Gas Supply Regulation 2007

## Part 1 Preliminary

### 1 Short title

This regulation may be cited as the *Gas Supply Regulation 2007*.

### 2 Commencement

The following provisions commence on the FRC day—

- part 2, division 2
- parts 3, 4 and 5
- sections 55 and 56.

### 3 Definitions

The dictionary in schedule 2 defines particular words used in this regulation.

## Part 3 Distribution network code provisions

### Division 1 Proposals to amend

#### 25 Proposal to amend

- (1) Any person (the *proponent*) may ask QCA to amend a distribution network code in a stated way (the *proposal*).
- (2) However, the proposal may be made only in the way QCA reasonably requires.

- (3) Also, QCA may require the proponent to, in making the proposal, justify how it meets the QCA code objective.

## **26 QCA response to proposal**

- (1) This section applies only when any requirements under section 25 relating to the proposal have been complied with.
- (2) QCA must, within 2 months, decide whether or not it will submit the proposal for consultation under division 2.
- (3) If QCA decides to submit the proposal, QCA may submit it in any form it considers appropriate, with or without change.

## **27 Notice of decision not to submit for consultation**

If QCA decides not to submit the proposal for consultation under division 2, it must, as soon as practicable after making the decision, give the proponent a notice stating the decision and its reasons for the decision.

## **28 QCA-initiated amendments not affected**

To remove any doubt, it is declared that this division does not prevent QCA from amending the distribution network code on its own initiative.

# **Division 2 Required consultation for QCA making or amending distribution network code**

## **Subdivision 1 Preliminary**

### **29 Prescribed consultation—Act, ss 270G(2) and 270OA(1)**

- (1) For sections 270G(2) and 270OA(1) of the Act, the consultation required to be engaged in before QCA may make

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or amend a distribution network code is any steps as required under subdivisions 2 and 3.

- (2) For subsection (1), the consultation is taken to have been engaged in if the required steps have been substantially carried out or complied with.

### **30 Application of div 2 for amendments**

- (1) If QCA proposes to amend a distribution network code, this division applies—
  - (a) as if a reference to a proposed distribution network code were a reference to the proposed amendment; and
  - (b) as if a reference to a draft or final version of a proposed code were a reference to the proposed amendment.
- (2) However, QCA may comply with a requirement to publish the proposed amendment by publishing the full distribution network code as amended by the proposed amendment.

## **Subdivision 2 Interim steps**

### **31 Application of sdiv 2**

This subdivision does not apply if—

- (a) QCA decides the issues for the proposed distribution network code are minor; or
- (b) QCA reasonably considers that it is unnecessary or inappropriate to carry out the steps provided for under this subdivision.

### **32 Interim consultation notice**

- (1) QCA must—
  - (a) prepare a notice (the *interim consultation notice*) about the proposed distribution network code; and

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- (b) publish the interim consultation notice on its website; and
  - (c) give the interim consultation notice to anyone it reasonably believes will be interested in the proposed distribution network code.
- (2) The interim consultation notice must state—
- (a) where a document (the *issues document*) discussing interim issues for the proposed distribution network code may be inspected; and
  - (b) a period (the *interim consultation period*) during which anyone may make written submissions to QCA about the issues.
- (3) The issues document may, but need not, be a draft of the proposed distribution network code.
- (4) The interim consultation period must be a period that is reasonable, having regard to the complexity of the interim issues.

### **33 Submissions**

Anyone may, within the interim consultation period, make a written submission to QCA about the issues mentioned in the issues document.

### **34 Considering submissions**

QCA must, as soon as practicable after the interim consultation period ends, consider all written submissions made under section 33 within that period.

### **35 Release of draft report and draft proposed code**

- (1) QCA must, after complying with section 34, publish on its website—
- (a) a draft report about the material issues for the proposed distribution network code and



- (b) a draft of the proposed distribution network code.
- (2) The draft of the proposed distribution network code may be a first draft or a revision of any draft of the proposed distribution network code that formed the issues document.

## Subdivision 3 Final steps

### 36 Final consultation notice

- (1) This section applies if subdivision 2 did not apply or if any steps required under the subdivision have been carried out or complied with.
- (2) If subdivision 2 did not apply, QCA must first publish on its website—
  - (a) a draft report about the material issues for the proposed distribution network code; and
  - (b) a draft of the proposed distribution network code.
- (3) QCA must—
  - (a) prepare a notice (the *final consultation notice*) about the proposed distribution network code; and
  - (b) publish the final consultation notice on its website; and
  - (c) give the final consultation notice to anyone it reasonably believes will be interested in the proposed distribution network code.
- (4) The final consultation notice must state—
  - (a) that QCA has made a draft report about the material issues for the proposed distribution network code and a draft of the proposed distribution network code; and
  - (b) where the drafts may be inspected; and
  - (c) a period (the *final consultation period*) during which anyone may make written submissions to QCA about the drafts.

[s 37]

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- (5) The final consultation period must be a period that is reasonable, having regard to the complexity of the drafts.

### **37 Submissions**

Anyone may, within the final consultation period, make a written submission to QCA about the drafts published under section 36(2).

### **38 Considering submissions**

QCA must, as soon as practicable after the final consultation period ends, consider all written submissions made under section 37 within that period.

### **39 Release of final report and final proposed code**

QCA must, after complying with section 38, publish on its website—

- (a) a final report about the material issues for the proposed distribution network code; and
- (b) a final version of the proposed distribution network code.

## **Part 4 Disconnection and reconnection**

### **Division 1 Preliminary**

#### **40 Application of pt 4**

- (1) This part applies to a distributor in relation to the distributor's gas infrastructure that is not a distribution system under the NERL (Qld).

- (2) This part imposes conditions on a distributor, under section 51(1) of the Act.

**41 Relevant disconnection requirements under distribution network code apply**

Any right under this part to disconnect is subject to any relevant limitations or restrictions on, or conditions for the exercise of, disconnection rights under any relevant distribution network code.

**Division 2 Distributors**

**42 When distributor may disconnect**

- (1) A distributor may disconnect the premises of a customer of the distributor on a ground mentioned in section 43.
- (2) The disconnection may be to the extent and for the period that the distributor reasonably believes is appropriate in the circumstances.

**43 Grounds for disconnection by distributor**

For section 42(1), the ground is any of the following—

- (a) because of an emergency or for a health or safety reason;
- (b) the disconnection has been directed under a dangerous situation direction under the Petroleum and Gas (Production and Safety) Act;
- (c) to carry out work that needs to be carried out without delay to prevent an emergency or a health or safety incident;
- (d) to carry out work to the distributor's distribution system if—

- (i) the work is reasonably required and is done at a reasonable time; and
- (ii) the person is given reasonable notice of the disconnection;
- (e) a ground for disconnection under a relevant connection contract;
- (f) customer connection services to the premises are denied or limited under an insufficiency of supply direction;
- (g) the customer has not provided safe access to the premises, as required under section 130 of the Act;
- (h) the customer has unlawfully taken a covered gas in contravention of section 289 of the Act or of the Petroleum and Gas (Production and Safety) Act, section 809;
- (i) a retailer has given the distributor a notice (a *disconnection request*) requesting the premises be disconnected;
- (j) the distributor is Maranoa Regional Council, and the terms of the Council's exemption from holding a retailer authorisation under the NERL (Qld) allow the Council to disconnect the premises;
- (k) the distributor is Western Downs Regional Council, and the terms of the Council's exemption from holding a retailer authorisation under the NERL (Qld) allow the Council to disconnect the premises.

#### **46 When distributor must disconnect**

If the distributor receives a disconnection request, the distributor must, within 5 business days, comply with the request unless the distributor reasonably believes it would be unsafe or impractical to comply.

#### **47 Reconnection**

- (1) This section applies if—

- (a) under section 46, the distributor has disconnected a customer's premises; and
  - (b) a retailer gives the distributor a notice asking for the premises to be reconnected.
- (2) If the relevant installation and meters for a covered gas comply with all requirements under the Petroleum and Gas (Production and Safety) Act and any other Act, the distributor must reconnect the premises within 5 business days.
  - (3) The obligation to reconnect is subject to the limits on the distributor's obligation to provide customer connection services, under section 109 of the Act.
  - (4) If no connection contract applies to the reconnected services, they must be provided on fair and reasonable terms.

#### **48 Compensation for failure to disconnect or reconnect**

- (1) This section applies if a distributor contravenes section 46 or 47 and a person as follows (the *claimant*) suffers a cost, damage or loss because of the contravention—
  - (a) a person who wants reconnection of the supply of a covered gas to the relevant premises;
  - (b) for section 46—the retailer that made the disconnection request;
  - (c) for section 47—the retailer that gave the notice asking for the relevant premises to be reconnected.
- (2) Compensation for the cost, damage or loss is payable by the distributor to the claimant.
- (3) The compensation may be claimed and ordered in a proceeding brought in a court of competent jurisdiction.

## Part 5 Fees

### Division 1 Annual fees

#### 51 Annual distribution fee—Act, s 40

- (1) This section prescribes, under section 40(b) of the Act, an amount (the *annual distribution fee*) payable by the holder of each distribution authority for each financial year during which the authority is in force.
- (2) If the total length of pipelines operated or maintained under the authority immediately before a financial year starts is less than 100km, the annual distribution fee for the financial year is 812.60 fee units.
- (3) Otherwise, the annual distribution fee for a financial year is the amount worked out using the formula—

$$DF = 69,493.43 \times P / TP$$

where—

*DF* is the annual distribution fee, in dollars.

*P* is the length in kilometres of pipelines operated or maintained under the authority immediately before the financial year started.

*TP* is the total length in kilometres of all pipelines operated or maintained under any distribution authority immediately before the financial year started.

- (4) Subsection (5) applies, despite subsections (2) and (3), if the authority takes effect after a financial year starts.
- (5) The amount for the financial year as worked out under subsection (2) or (3) must be rateably reduced to reflect the period from the start of the year to when the authority took effect as if a reference in the subsection to the start of the year were a reference to the taking of effect of the authority.

- (6) The annual distribution fee for a financial year is payable on the day the regulator fixes by a notice to the holder.
- (7) The day may be any day, including a day in the financial year.
- (8) However, the day can not be a day that is before the giving of the notice.

## **Division 2            Other fees**

### **53        Other fees**

Other fees payable under the Act are stated in schedule 1.

## **Part 6                    Miscellaneous provisions**

### **55        Prescribed consultation for pricing investigation report—Act, s 227F**

- (1) For section 227F of the Act, the consultation prescribed for a report on a pricing investigation is the consultation prescribed under part 3, division 2.
- (2) For subsection (1), part 3, division 2 applies as if—
  - (a) a reference to the making of the distribution network code were a reference to the giving of the report to the Minister; and
  - (b) a reference to issues for the proposed distribution network code were a reference to issues for the report; and
  - (c) a reference to the proposed distribution network code were a reference to the proposed report.
- (3) However, part 3, division 2, subdivision 2 applies despite section 31.

**55A Exemption from registration for market participation under National Gas (Queensland) Law**

- (1) The holder of an exempted authority is exempted from registration for the *National Gas (Queensland) Law*, section 91LB(2).
- (2) Subsection (1) applies despite the holder participating in the Queensland retail gas market in a registrable capacity under the *National Gas (Queensland) Law*, section 91LA.
- (3) In this section—

*commencement* means the commencement of this section.

*excluded distribution authority* means—

- (a) the distribution authority held by the Maranoa Regional Council immediately before the commencement; or
- (b) the distribution authority held by the Western Downs Regional Council immediately before the commencement.

*exempted authority* means an excluded distribution authority.

## **Part 7 Repeal and transitional provisions**

**56 Repeal**

The Gas Supply Regulation 2003 SL No. 122 is repealed.

**57 Transitional provision about small customers**

For section 326 of the Act, part 2, division 1 (other than section 4), applies for deciding who is a small customer as if a reference in that division to the FRC day were a reference to the day this regulation was notified in the gazette.



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## Schedule 1      Other fees for distribution authorities

section 53

	<b>Fee units</b>
1    Application for distribution authority (Act, s 28(b))	407.60
2    Application to amend distribution authority, other than to amend a condition imposed under chapter 2, part 1, division 2 of the Act or to correct a clerical or formal error (Act, s 55(2))	121.95
3    Application to renew distribution authority (Act, s 64(3)(a))	nil
4    Application to transfer distribution authority (Act, s 68(2)(c))	407.60
5    Application for approval of surrender of distribution authority (Act, s 73(2))	nil
6    Late payment fee for an annual distribution fee payable under section 51 paid after the day on which payment is required under section 51(6) (Act, s 323(2)(b))	121.95

## Schedule 2 Dictionary

### section 3

*final consultation period* see section 36(4)(c).

*FRC day* means the FRC day under section 324 of the Act.

*interim consultation period* see section 32(2)(b).

*issues document* see section 32(2)(a).

*NERL (Qld)* see the *National Energy Retail Law (Queensland) Act 2014*, section 3.

*proponent*, for a proposed amendment of a distribution network code, see section 25(1).

*proposal*, for a distribution network code amendment, see section 25(1).