

Multinet Gas

27 October 2017

Mr David Young
Director Energy
Essential Services Commission
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2 Lonsdale Street
Melbourne 3000

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Email: energy.submissions@esc.vic.gov.au

Dear David

Re: Review of Unaccounted for gas benchmarks - Draft Decision - Calculation, October 2017

Multinet is pleased to respond to the Essential Services Commission (ESC) draft decision "Review of Unaccounted for Gas Benchmarks, Draft Decision - Calculation".

Multinet notes the ESC's acceptance in the draft decision of all aspects of our proposal. In particular, we welcome and support the following elements of the draft decision:

- 1. retaining the current class A UAFG benchmarks as proposed by Multinet;
- 2. using the revealed cost approach with a three-year average to calculate benchmarks, consistent with the approach taken for previous periods;
- 3. that Multinet has been efficiently investing in measure to reduce UAFG during the current regulatory period;
- accepting Multinet's proposed Class B 2018 to 2022 UAFG benchmark for the Declared Transmission System (DTS) network of 5.3%. This benchmark is based on a three year average of the most recent settled UAFG data for the years 2013, 2014 and 2015;
- 5. retaining the non DTS networks benchmark at 2.0% as proposed by Multinet; and
- 6. amending clause 2.4(b) of the Gas Distribution System Code (GDSC) to 30 April of the following year as proposed by Multinet.

As part of this submission we have provided the ESC the updated UAFG data for the DTS network (Class A and B) and our non - DTS network, in the spreadsheet template. The requested populated template contains commercially sensitive information. This confidential information has been redacted from the public version of the spreadsheet.

In addition we have also provided copies of the Australian Energy Market Operator (AEMO) final statements in respect of our DTS network for 2015. These final statements contain commercially sensitive information and have been provided to the ESC on a confidential basis for its review and information. We have sought to minimise the amount of information that we claim confidentiality over to make our information as transparent to stakeholders as possible.

To confirm, Multinet accepts the ESC's draft decision UAFG benchmarks for the 2018 to 2022 period as detailed in Table 1.



Table 1: 2018 to 2022 UAFG class A, B and non-DTS benchmarks (per cent)

	2018	2019	2020	2021	2022
Class B	5.3	5.3	5.3	5.3	5.3
Class A	0.3	0.3	0.3	0.3	0.3
Non - DTS	2.0	2.0	2.0	2.0	2.0

Please contact either myself discuss this submission further

or Vicky Knighton

if you would like to

Yours sincerely

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Mark Beech

General Manager Gas Operations

UAFG data required by the Essential Services Commission

Multinet - DTS network

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CTM injections (GJ)	62,016,000	62,109,000	57,170,000	63,060,000	56,967,792	60,764,227	58,433,551	60,895,871	58,304,035	59,976,345	57,441,524	54,884,218	59,960,143	
Total withdrawals (GJ)	60,317,000	60,401,000	55,301,000	60,886,000	54,780,490	58,540,409	56,246,920	58,439,287	56,212,000	57,403,000	54,730,075	52,348,307	56,576,732	
Class A withdrawals (GJ)	5,830,000	6,016,000	5,734,000	5,807,000	5,257,238	4,343,787	4,646,787	4,411,062	3,916,157	3,747,998	3,948,956	3,874,940	3,667,846	
Class B withdrawals (GJ)	54,487,000	54,385,000	49,567,000	55,079,000	49,523,252	54,196,622	51,600,132	54,028,226	52,295,843	53,659,719	50,781,119	48,473,367	52,908,886	
Class B withdrawals - D customers (GJ)														
Class B withdrawals - V customers (GJ)														
Actual UAFG (GJ)	1,699,000	1,708,000	1,869,000	2,174,000	2,187,302	2,223,818	2,186,631	2,456,583	2,127,623	2,568,629	2,711,449	2,535,911	3,383,410	
Class A UAFG (GJ)	17,543	18,102	17,254	17,473	15,819	13,071	13,982	13,273	11,748	11,244	11,847	11,625	11,037	
Class B UAFG (GJ)	1,681,457	1,689,898	1,851,746	2,156,527	2,171,483	2,210,747	2,172,648	2,443,310	2,115,875	2,557,385	2,699,602	2,524,286	3,372,374	
% UAFG	2.74%	2.75%	3.27%	3.45%	3.84%	3.66%	3.74%	4.03%	3.65%	4.28%	4.72%	4.62%	5.64%	
% Class A UAFG	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	
% Class B UAFG	2.99%	3.01%	3.60%	3.77%	4.20%	3.92%	4.04%	4.33%	3.89%	4.55%	5.05%	4.95%	5.99%	

Added this line for total Class B withdrawals as energy not split by tariff.

Reconciliation amounts received/(paid) \$000	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	
Total				(\$320,071.73)	(\$1,060,889.15)	(\$662,007.16)	(\$1,667,993.72)	(\$2,424,789.12)	(\$1,707,181.85)	(\$3,330,526.92)	(\$3,090,286.53)	(\$1,772,748.23)	(\$5,148,199.80)	

Note: Settled Settled

If any unsettled data is provided, please indicate.

UAFG data required by the Essential Services Commission

Multinet - Non-DTS network

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CTM injections (GJ)							68,336	243,990	372,798	418,854	452,817	614,077		
Total withdrawals (GJ)							53,550	204,052	352,526	408,620	393,347	634,115		
Class A withdrawals (GJ)														
Class B withdrawals - D customers (GJ)														
Class B withdrawals - V customers (GJ)														
Actual UAFG (GJ)							14,786	39,938	20,272	10,234	59,470	- 20,038		
Class A UAFG (GJ)														
Class B UAFG (GJ)														
% UAFG							21.64%	16.37%	5.44%	2.44%	13.13%	-3.26%		
% Class A UAFG														
% Class B UAFG														

Reconciliation amounts received/(paid) \$000	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
[C-I-C]							[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]	[C-I-C]		
[C-I-C]												[C-I-C]		
Total							(\$48,921.89)	(\$131,980.27)	(\$50,290.65)	(\$7,508.15)	(\$205,308.78)	\$131,951.28		

Note: Settled Settled Settled Unsettled Unsettled Unsettled Unsettled

If any unsettled data is provided, please indicate.