

FACT SHEET

Gas Access Arrangement Review (GAAR)

Customer and Stakeholder Engagement

AusNet Services owns and operates the gas distribution pipelines in central and western Victoria. As a regulated monopoly, we are required to submit a five-year plan outlining the services that we will offer, the costs associated with the provision of these services, and the prices charged to customers over the next regulatory period. This process, called the Gas Access Arrangement Review (GAAR), determines our revenues over the five year regulatory period. The purpose of this fact sheet is to explain the ways in which we are engaging with stakeholders to better inform our GAAR proposal.

Importance of stakeholder engagement

Recent data from the Australian Bureau of Statistics (2015) suggests that household energy use in Australia has decreased considerably in the past three years in spite of population rises. One explanation for this downward trend is that people are becoming less reliant on traditional energy sources (i.e. gas and electricity) in favour of renewable technologies such as solar. In the past decade, household use of renewable energy in Australia has increased by 38%. in the past decade.

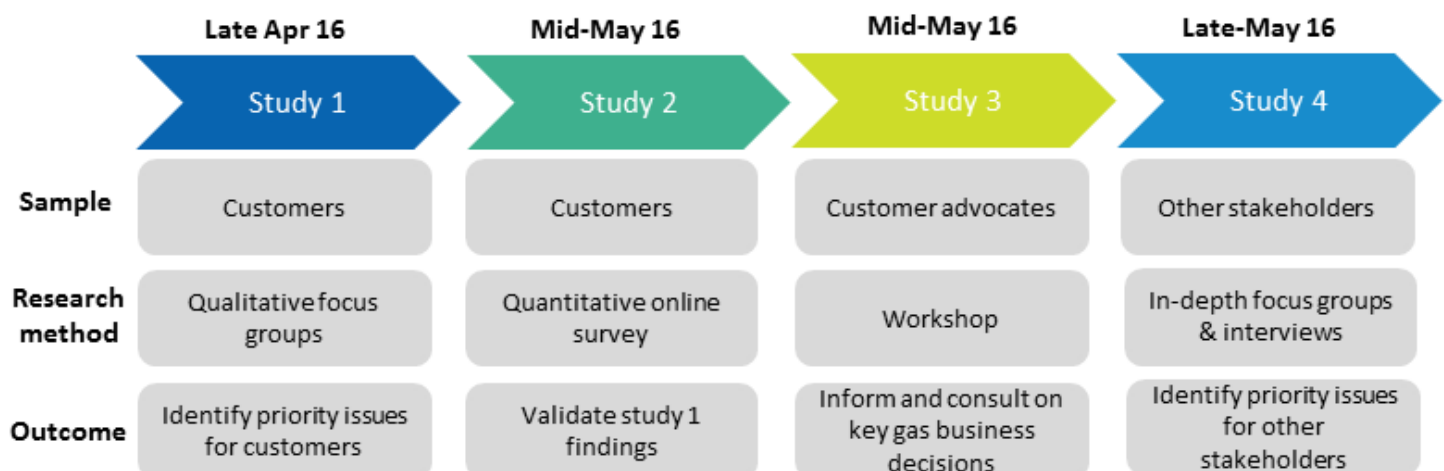
Such stakeholder trends have considerable impact on our gas network and how we plan for the future. If fewer people are expected to use our gas distribution network in the future this will have serious implications on how we augment (i.e. expand) our network and the subsequent revenues that we will receive.

Therefore, in developing our GAAR proposal, considerable emphasis has been placed on understanding the needs and expectations of our gas customers and stakeholders. The information obtained from our customer and stakeholder engagement efforts will be used to not only inform our GAAR submission, but drive future business decisions relating to our gas network.

Our customer and stakeholder engagement program

In April 2016, AusNet Services launched a comprehensive program designed to better understand the gas needs, wants and perceptions of our customers and stakeholders. We developed a tailored, fit-for-purpose research program consisting of four studies. These studies ran from April to May and involved a range of stakeholder groups. The table below provides an overview of the participant sample, research methods and anticipated outcome for each study.

Customer engagement program timeline



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Summary of the GAAR process

In December 2016, we will submit our five-year GAAR proposal to the regulator for the period commencing 1 January 2018. We will also publish a plain language version of the proposal on our website for interested customers and stakeholders. This final stage of our stakeholder engagement efforts will see customers and stakeholder engagement embedded as a part of business-as-usual activities for AusNet Services.

How to get involved in the GAAR

AusNet Services welcomes involvement and feedback from all our stakeholders, regardless of how familiar they are with the gas distribution network and the revenue setting process.

Would you like to know more?

In July 2016, we'll publish reports on our website covering each of the four stages of our customer and stakeholder research program. Following this, a report summarising the findings of our stakeholder research will be published.

Fact sheets and more information on the GAAR process can be found on our website at www.ausnetservices.com.au

For more information, and to get involved, email us at: GAAR2018@ausnetservices.com.au.