



Assessment of Tamworth Gas Networks Pty Limited's transfer application - Reticulator's authorisation

Report to the Minister

February 2026

Energy >>

Acknowledgment of Country

IPART acknowledges the Traditional Owners of the lands where we live and work. Our office is located on Gadigal land and our work touches on Aboriginal lands and waterways across NSW.

We pay respect to their Elders both past and present, and recognise Aboriginal people's unique and continuing cultural connections, rights and relationships to land, water and Country.



Image taken on Worimi Country (Myall Lakes)

The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from IPART's website.

Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly PSM, Chair
Jonathan Coppel
Sharon Henrick

Enquiries regarding this document should be directed to a staff member:

Tathia Shield Wells (02) 8226 0218
Basit Rahman (02) 9290 8483

Cover Photo: APA Group Limited

© Independent Pricing and Regulatory Tribunal (2026).

With the exception of any:

- a. coat of arms, logo, trade mark or other branding;
- b. photographs, icons or other images;
- c. third party intellectual property; and
- d. personal information such as photos of people.

this publication is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia Licence.



The licence terms are available at the [Creative Commons website](#)

IPART requires that it be attributed as creator of the licensed material in the following manner: © Independent Pricing and Regulatory Tribunal (2026).

The use of any material from this publication in a way not permitted by the above licence or otherwise allowed under the Copyright Act 1968 (Cth) may be an infringement of copyright. Where you wish to use the material in a way that is not permitted, you must lodge a request for further authorisation with IPART.

Disclaimer

Nothing in this document should be taken to indicate IPART's or the NSW Government's commitment to a particular course of action.

This document is published for the purpose of IPART fulfilling its statutory or delegated functions as set out in this document. Use of the information in this document for any other purpose is at the user's own risk, and is not endorsed by IPART.

ISBN 978-1-76049-877-1

Contents

Chapter 1

Introduction	5
1.1 Executive Summary	6
1.2 Recommendation	6
1.3 Background	7
1.4 Regulatory context	7

Chapter 2

Assessment	9
2.1 Assessment overview	10
2.2 Application	10
2.3 Public consultation	10
2.4 Grounds for refusal	10
2.5 Assessment criteria	11
2.6 Other relevant grounds	14
2.7 Authorisation conditions	15
2.8 Assessment conclusion	16

Chapter 1 >>

Introduction

01

1.1 Executive Summary

IPART recommends that the Minister for Energy (Minister) grant the transfer of the existing gas reticulator's authorisation from Central Ranges Pipeline Pty Ltd to Tamworth Gas Network Pty Limited, both of which are part of the APA Group Limited (APA Group) corporate group.

On 1 September 2025, APA Group, via its subsidiary Tamworth Gas Network Pty Limited applied under the *Gas Supply Act 1996* (NSW) (GS Act) to transfer the gas reticulator's authorisation from Central Ranges Pipeline Pty Ltd to itself.

Under New South Wales legislation, a person may not operate a distribution pipeline to deliver natural gas to others without the authority of an authorisation. If the transfer is granted, the reticulator's authorisation will allow Tamworth Gas Network Pty Limited to operate the designated distribution pipeline for the purpose of supplying natural gas to other parties.

APA Group's application indicated that, should the Minister grant this proposed transfer and subject to any other required regulatory approvals, it intends to sell Tamworth Gas Network Pty Limited to AGI O&M Services Pty Ltd, a wholly owned subsidiary within the Australian Gas Infrastructure Group (AGIG). Where relevant, we have considered the proposed sale as part of the assessment process. However, the application before the Minister relates to the transfer of the authorisation between related entities within the APA corporate group.

IPART's regulatory functions include making recommendations to the Minister on whether to grant or refuse applications to transfer gas reticulator authorisations. In considering this application, IPART assessed whether any of the grounds for refusal under section 9(2) of the GS Act apply, having regard to the objects of the Act.

Our assessment considered the applicant's financial capacity, technical and operational capability and fit-and-proper status. We also evaluated whether granting the transfer would be contrary to the interests of consumers. IPART also took into account advice provided by the Department of Climate Change, Energy, the Environment and Water (DCCEEW) concerning the applicant's technical and operational capacity as the gas network operator.

Consistent with the requirements of the GS Act, we made the application publicly available and invited submissions from interested parties. This process ensured that affected stakeholders and the broader community were provided an opportunity to comment on the proposed transfer prior to IPART making its recommendation to the Minister. We did not receive any submissions.

1.2 Recommendation

We recommend that the Minister grant the application to transfer Central Ranges Pipeline Pty Ltd's gas reticulator's authorisation to Tamworth Gas Network Pty Limited.

1.3 Background

APA Group Limited (APA Group) is an Australian energy infrastructure business that owns and operates energy assets across Australia. According to information published by APA Group, its activities include the ownership and operation of natural gas transmission infrastructure, electricity transmission networks, and a portfolio of renewable energy assets.^a

APA Group currently owns Central Ranges Pipeline Pty Ltd which owns and operates both gas transmission and distribution assets; the Central Ranges Pipeline (Transmission Asset) transporting gas from Dubbo to Tamworth; and the gas distribution pipeline within Tamworth (Distribution Asset). Central Ranges Pipeline Pty Ltd currently holds a gas reticulator's authorisation in NSW for the gas distribution pipeline. The areas covered by the reticulator's authorisation, and included in the application to transfer the authorisation, are the local government areas serviced by Dubbo City Council, Gilgandra Shire Council, Liverpool Plains Shire Council, Mid Western Regional Council, Tamworth Regional Council, Warrumbungle Shire Council and Gunnedah Shire Council.

APA Group has established Tamworth Gas Networks Pty Limited as a wholly owned subsidiary. It has applied to transfer the authorisation currently held by Central Ranges Pipeline Pty Ltd so the Transmission Asset and Distribution Asset are held under separate entities. APA Group has told us that this would enable it to divest its gas distribution assets at Tamworth, and is consistent with its business decision to divest operation and ownership of all distribution assets to focus on its strategic priorities.^b APA Group has also told us that, subject to the Minister approving the authorisation transfer and any other required regulatory approval(s), it plans to sell Tamworth Gas Network Pty Limited to AGI O&M Services Pty Ltd. AGI O&M Services Pty Ltd is part of AGIG^c corporate group which already holds two other gas reticulation authorisations in NSW through its subsidiaries.^d

The Central Ranges Pipeline and other interconnected APA transmission pipelines are licensed under the *Pipelines Act 1967* (NSW). An authorisation is generally not required in respect of a pipeline licensed under the *Pipelines Act 1967* (NSW) This application does not affect the Transmission Asset and APA Group (through its ownership of Central Ranges Pipeline Pty Ltd), will retain the Transmission Asset within its portfolio.^e

1.4 Regulatory context

In New South Wales:

- IPART has, among others, the following functions under the GS Act:
 - making recommendations to the Minister for or with respect to the grant, transfer or cancellation of an authorisation and the imposition, variation or cancellation of conditions in relation to an authorisation,

^a APA Group, [About us](#).

^b APA Group, [media release](#) published on 1 December 2025.

^c AGIG, [About us](#).

^d These authorisations service NSW regional centres including Albury and Wagga Wagga.

^e APA Group, [Gas transmission page](#).

-
- monitoring and reporting to the Minister on the extent to which the holder of an authorisation complies with the conditions of their authorisation, and
 - taking enforcement action or recommending that the Minister take enforcement action.
 - DCCEEW is responsible for regulating the compliance of network operators (which includes reticulators) with their technical, operational and safety obligations under the *Gas Supply (Safety and Network Management) Regulation 2022* (NSW).

At the Commonwealth level, the Australian Energy Regulator (AER) plays a key role in regulating gas pipelines across Australia, including in New South Wales. It is responsible for administering the *National Gas (NSW) Law 2008* (NSW) (NGL) and *National Gas Rules* (Cth) (NGR). The level of regulation that a pipeline is subject to depends on how it is classified:

- **Scheme Pipeline:** A scheme pipeline is the subject of a scheme pipeline determination. These pipelines are subject to a stronger form of regulation, which includes price regulation by the AER.
- **Non-Scheme Pipeline:** A non-scheme pipeline is any pipeline that is not a scheme pipeline. These pipelines are subjected to a lighter form of regulation under the NGR.

The distribution pipeline that is the subject of this application is currently classified as a 'non-scheme pipeline'. However, the AER may, on its own initiative or on the application of any person, make a determination that a non-scheme pipeline is a scheme pipeline. It must make such a determination in accordance with the principles governing the making of a determination prescribed in the NGL.

Further, the NGL and NGR set out a dispute resolution framework for resolving disputes related to access to pipeline services provided on both scheme and non-scheme pipelines. The AER:

- is the dispute resolution body for access disputes relating to scheme pipelines
- has an administrative and oversight role for access disputes relating to non-scheme pipelines.

Chapter 2 >>

Assessment

02

2.1 Assessment overview

This section of our report contains our assessment of the application, and includes consideration of requirements relating to:

- the application
- public consultation
- grounds for refusal under the GS Act
- assessment criteria (as published in IPART's [Guide for prospective NSW gas reticulators](#))
- other relevant grounds.

2.2 Application

Section 7 of the GS Act provides for applications to be made to IPART for the granting or transfer of an Authorisation.

On 1 September 2025, Tamworth Gas Network Pty Limited applied to IPART for transfer of the reticulator's authorisation held by Central Ranges Pipeline Pty Ltd to itself. The required application fee was also paid by APA Group to IPART.

2.3 Public consultation

Section 8 of the GS Act requires the Minister to cause notice of the application to be published in the Gazette and in such other manner as the Minister is satisfied is likely to bring the notice to the attention of the public. This publication must occur before determining an application for an authorisation or for the transfer of an authorisation.

Notice of the application was published in the *NSW Government Gazette* on 5 December 2025, including communication of the consultation period and where submissions on the application should be lodged.^a Public consultation subsequently commenced via IPART's website on that date and closed on 19 January.

No submissions were received during the consultation process.

2.4 Grounds for refusal

Section 9(2) of the GS Act provides that an application for an authorisation or for the transfer of an authorisation may be refused on any of the following grounds:

- that the proposed holder of the authorisation fails to satisfy such technical or prudential criteria as have been adopted by the Minister to determine whether a person is able to operate a viable business as an authorised reticulator,
- such grounds as may be prescribed by the regulations,

^a NSW Government Gazette, No 509 of 5 December 2025.

- such grounds as the Minister considers relevant, having regard to the interests of consumers and the need to promote a competitive market for natural gas, to prevent misuse of market power and to ensure the security and reliability of the New South Wales supply system for natural gas.

The regulations do not prescribe any other grounds on which an application may be refused. We do not consider the application should be refused on the other two grounds. Our analysis is set out in sections 2.5 and 2.6.

2.5 Assessment criteria

On 14 June 2003, the then Minister adopted a set of assessment criteria for reticulator's authorisation applications.

These criteria are published in IPART's *Guide for prospective NSW gas reticulators (the Guide)* and require consideration of whether the applicant:

- is fit and proper to hold an authorisation
- has sufficient financial capacity
- has sufficient technical and operational capacity

For the reasons set out below, we consider that the applicant meets these criteria.

2.5.1 Fit and proper

The 'fit and proper' criterion is intended to test the applicant's suitability to hold an authorisation.

In assessing whether the applicant meets this criterion, IPART, as outlined in the Guide, requires a statutory declaration to the effect that the individuals responsible for managing the entity applying for the authorisation have not been, or would not be, disqualified under the *Corporations Act 2001* (Cth) from managing corporations.

The application includes a statutory declaration confirming that the directors and relevant officers of Tamworth Gas Network Pty Limited are not, and would not be, disqualified from managing a corporation under the *Corporations Act 2001* (Cth).

IPART also searched ASIC company records to confirm the applicant's registration details and current officeholders. Our searches confirmed the officeholders listed on the declaration are consistent with the applicant's record on ASIC. The officeholders of the existing and proposed authorisation holder are the same. Further searches of these officeholders were performed on [ASIC's banned and disqualified register](#) and the [Australian Financial Security Authority's bankruptcy register](#), which did not reveal any concerns.

IPART is satisfied that the applicant is fit and proper to hold an Authorisation.

2.5.2 Financial capacity

The 'financial capacity' criterion is intended to test the applicant's ability to securely finance the activities to be performed under authorisation. In assessing whether the applicant meets this criterion, IPART, as outlined in the Guide, requires statutory declaration to the effect that the applicant is:

- in a position to meet the financial/prudential requirements for participation in the natural gas market.
- not aware of any factor which would affect its ability to securely finance the activities to be performed under the authorisation over the following 12 months.

The application includes a statutory declaration from a relevant officeholder confirming that Tamworth Gas Network Pty Limited is in a position to meet applicable financial and prudential requirements and is not aware of any factor that would affect its ability to securely finance the authorised activities over the following 12 months.

ASIC company records also confirm that Tamworth Gas Network Pty Limited is wholly owned by APA Infrastructure Limited. APA Infrastructure Limited is another entity within the APA corporate group and is the borrowing entity for the APA corporate group.^b

A signed declaration was also provided by an officeholder from AGI O&M Services Pty Ltd. This declaration also confirms that AGIG will ensure Tamworth Gas Network Pty Limited is in a position to meet applicable financial and prudential requirements and is not aware of any factor that would affect its ability to securely finance the authorised activities over the following 12 months. Further, the ASIC company records for AGI O&M Services Pty Ltd confirm it is wholly owned by Australian Gas Infrastructure Holdings Pty Limited.^c

If the application to transfer the authorisation is granted, we consider that these company arrangements would allow Tamworth Gas Network Pty Limited to securely finance its activities over the next 12 months, both pending and after its sale to AGI O&M Services Pty Ltd.

IPART is satisfied that the applicant has sufficient financial capacity to carry out the authorised activities.

2.5.3 Technical and operational capacity

The technical and operational capacity criterion considers whether the reticulator has the capability to carry out the activities authorised and to comply with the conditions of the Authorisation. This includes the reticulator's ability to meet the technical, operational and safety requirements set out in the *Gas Supply (Network Safety Management) Regulation 2022* (NSW).

^b [ASX disclosure](#) of 2025 financial year results for APA Infrastructure Limited dated 20 August 2025.

^c Bloomberg, [Company summary profile](#) of Australian Gas Infrastructure Group Holdings Pty Ltd.

In assessing this criterion, IPART, as set out in its Guide, considers:

- a statement from the applicant explaining how it intends to achieve ongoing compliance with the Authorisation conditions
- a statement outlining the actions the applicant is undertaking to prepare a safety and operating plan, and
- a summary of the applicant's current or previous experience in the energy sector.

Statements have been included in the application regarding the Tamworth Gas Networks Pty Limited safety and operating plan and to confirm its compliance with ongoing authorisation conditions.

APA has advised:

'There are no intended cessation of operations by the Applicant – that is, once the transfer of the Reticulator's licence is approved, it is expected that the Applicant will (in place of Central Ranges Pipeline Pty Limited) continue the operations under that licence...APA Group has developed a Safety and Operating Plan for the Applicant which is consistent with the current Safety and Operating Plan for Central Ranges Pipeline Pty Ltd (ACN 108 218 355) which has recently been audited and a certification of compliance provided to the Department of Climate Change, Energy and the Environment and Water in August 2025.'^d

Furthermore, AGIG has advised:

'No change. AGIG will adopt the Safety and Operating Plan prepared for the Applicant in all material aspects. The Safety and Operating Plan (Sections 2 and 3) will be updated for AGIG ownership upon acquisition of the Applicant.'^e

In anticipation of the application, Tamworth Gas Networks Pty Limited prepared the *Tamworth Distribution Network Safety and Operating Plan*. To inform IPART's assessment, DCCEEW prepared a report assessing the applicant's technical and operational capacity.

DCCEEW reviewed the plan, related company annual audit reports and incident records for the past three years (calendar years 2023, 2024 and 2025). The review considered network design, governance arrangements, operational controls, incident management, assurance processes, and arrangements supporting the continuity of safe network operations.

The DCCEEW review confirmed the continuity of personnel, systems and processes supporting the ongoing operation of the network from Central Ranges Pipeline Pty Ltd to Tamworth Gas Networks Pty Limited. No changes are proposed to the distribution district or to the manner in which the network is operated as part of the transfer.

The review identified no non-conformances over the past three years and no reported incidents during that period. While a small number of opportunities for improvement were identified, audit outcomes demonstrated strong operational and safety performance. DCCEEW concluded that the applicant has the technical and operational capacity to operate the reticulation network.

^d Attachment B to application.

^e Attachment C to application.

In addition, DCCEEW's review considered the safety performance and compliance records for the last 3 years of Australian Gas Networks (Albury) Ltd and Australian Gas Networks (NSW) Pty Ltd, both subsidiaries of AGIG that hold gas reticulator Authorisations in New South Wales. DCCEEW noted a consistent record of safety performance and compliance with relevant Australian Standards and legislative obligations. The review concluded that the proposed future transfer of ownership of Tamworth Gas Network Pty Limited to an AGIG subsidiary does not present incompatibilities or risks that would adversely affect the safe and reliable operation of the network.

As part of its own assessment, IPART also reviewed annual compliance history for the last 3 years submitted by Central Ranges Pipeline Pty Ltd, Australian Gas Networks (Albury) Ltd and Australian Gas Networks (NSW) Pty Ltd. Our review confirms the reports were submitted in accordance with IPART's reporting requirements and consistently reported nil non-compliances.

Given there would be continuity of personnel, systems and processes (if the application is granted), Central Ranges Pipeline Pty Ltd's compliance history is relevant in considering whether the applicant has technical and operational capacity, and is likely to comply with the conditions of the authorisation.

Based on DCCEEW's review findings and IPART's consideration of the relevant compliance history, IPART is satisfied that the applicant has sufficient technical and operational capacity to carry out the authorised activities and to comply with the conditions of the Authorisation.

2.6 Other relevant grounds

We do not consider there are any relevant grounds on which the Minister should refuse the application.

In reviewing the application, we considered the effect the proposed transfer of the authorisation and sale of Tamworth Gas Network Pty Limited to AGI O&M Services Pty Ltd (part of AGIG) may have on consumers and the gas market in New South Wales. We consider the likely impacts on consumers from the sale of the Applicant would be low due to the reticulation network in NSW being geographic monopolies and potential price regulation by the AER. We have set out our analysis against the key matters that we took into consideration below.

Table 2.1 IPART assessment of other grounds considered

Consideration	IPART assessment
Impact on consumers (particularly in respect of prices)	<p>We do not consider the transfer of the authorisation and planned sale would adversely impact consumers, particularly in terms of prices.</p> <p>The distribution pipeline is currently a "non-scheme pipeline". This means that the AER currently cannot set standing tariffs for the transportation services provided by the pipeline. However, as noted in section 1.4, the AER may reclassify the Central Ranges Pipeline as a "scheme pipeline". If this were to occur, the AER could directly set the tariffs for the pipeline. We consider the threat of price regulation provides sufficient protection to consumers against excessive price increases.</p>
Impact on the level of competition for natural gas in New South Wales	<p>The distribution pipeline is the only reticulator of natural gas for the regional centres and towns that it services.</p> <p>We do not consider the transfer of the authorisation and planned sale would have a material impact on the level of competition for natural gas in New South Wales.</p>

Consideration	IPART assessment
Impact on market power	<p>We do not consider the transfer of the authorisation and planned sale would have a material impact on the market power of the intended owner, AGIG.</p> <p>While the size of AGIG's network (which currently covers Albury and its surrounding areas, and southern New South Wales), would expand, the Central Ranges Pipeline is currently the only infrastructure that services the areas in which it operates. The planned change in ownership would not change this position.</p> <p>We consider the Commonwealth dispute resolution framework administered by the AER and the threat of price regulation provides sufficient protections against the potential abuse of market power.</p>
Impact on the security and reliability of the supply system for natural gas in New South Wales	<p>We do not consider the transfer of the authorisation and planned sale would adversely impact the security and reliability of the supply system for natural gas in New South Wales.</p> <p>The applicant has stated:</p> <ul style="list-style-type: none"> • the existing staff of the current authorisation holder (Central Ranges Pipeline Pty Ltd) will be transferred to the applicant (Tamworth Gas Network Pty Limited), • it is expected to immediately commence operation of the natural gas reticulation network upon transfer of the authorisation from the current holder, and • it would continue operation of the natural gas reticulation network following the transfer of control of the applicant to AGIG. <p>Having regard to the above matters, we consider that the proposed transfer and sale would have limited impact on the security and reliability of the supply system for natural gas in New South Wales.</p>

2.7 Authorisation conditions

An authorisation is subject to:

- the conditions imposed by the GS Act and the regulations, and
- such other conditions (not inconsistent with those imposed by this Act and the regulations) as the Minister may from time to time impose in relation to the authorisation.

This application, in effect, concerns a change in ownership of the distribution pipeline. The relevant staff from Central Ranges Pipeline Pty Ltd will transfer across to the applicant.

If the Minister grants the application, the applicant will be required to comply with the conditions of the reticulator's authorisation including in relation to insurances and indemnity and, compliance management systems.

The applicant is required to become a member of the energy ombudsman scheme (unless exempted by the Minister in accordance with section 11A(3) of the GS Act) and must comply with any decision of the energy ombudsman.^f The applicant is not currently a member of the scheme; however, the application notes that the applicant will apply to become a member of scheme. Should this transfer be granted, IPART will convey this requirement to Tamworth Gas Networks Pty Limited and seek confirmation of their membership.

We do not consider that Tamworth Gas Networks Pty Limited should be exempt from the requirement to be a member of the energy ombudsman scheme.

^f GS Act s 11A.

2.8 Assessment conclusion

IPART is satisfied that:

- the application demonstrates that the applicant meets the technical and prudential criteria,
- there are no grounds for refusing the application,

On this basis, IPART recommends that the Minister grant the application to transfer the authorisation held by Central Ranges Pipeline Pty Ltd to Tamworth Gas Network Pty Limited.