

Ref: NB:JC:C670210

4 April 2008

Mr James Cox
Chief Executive Officer
Independent Pricing and Regulatory Tribunal of NSW
PO Box Q290
QVB Post Office NSW 1230



Dear Mr Cox

Notice of proposed changes to Wagga Wagga gas network prices

Country Energy is writing to provide this submission regarding proposed changes to gas network prices, effective 1 July 2008, for the Country Energy gas network in Wagga Wagga, in accordance with the approved Access Arrangement.

The Independent Pricing and Regulatory Tribunal (IPART) published its final decision relating to the Wagga Wagga gas network access arrangement for the period 1 January 2006 to 30 June 2010 in December 2005. Included in the access arrangement are the indicative gas network tariff price paths for the remainder of the regulatory period.

The access arrangement allows for average CPI price increases in each year of the remainder of the current regulatory period. The average network price increase proposed for the financial year ending 30 June 2009 is therefore 2.3 per cent. The price changes for each customer class will differ, with residential customers to receive modest price increases, and commercial and industrial customers to receive price reductions.

A comprehensive plan is currently being developed to communicate the increases to all Country Energy customers.

We would be pleased to meet with the Tribunal to discuss our network pricing proposals in detail. If your officers have any questions in relation to this submission please contact Natalie Banicevic on 02 6589 8419 or Catherine Waddell on 02 6338 3553.

Yours sincerely

Bill Frewen
Group General Manager External Relations

Att. 1 – Price schedule 1 July 2008 – 30 June 2009

Att. 2 – Tariff and Revenue summary

Attachment 1:

Price Schedule
1 July 2008 – 30 June 2009



A2.1 Reference Tariffs

	Maximum Meter Flow Rate (m ³ /hr)	1/7/08- 30/6/09
VOLUME		
Residential and Small Business	10	
Annual Charge \$		171.96
\$/GJ		4.38
Commercial	30	
Annual Charge \$		287.38
\$/GJ		1.71
Industrial	150	
Annual Charge \$		1,033.77
\$/GJ		1.71
CONTRACT		
\$/GJ of MDQ/year		
Bomen	N/A	87.23
Central	N/A	158.56
Fringe	N/A	361.69

A2.2 Monthly Metering Charges

Meter Type	Monthly Metering Charge \$2008/09
6GT	522.71
4GT	508.14
AL5000	547.61
AL2300	517.49
AL1000	457.03
7M175	460.18
5M175	452.14
3M175	478.02

A2.3 Additional Services

Additional Service	Charge \$2008/09
Residential Meter Testing Service	226.18
Special Meter Reading Service	39.15
Reconnection Service	45.67
Disconnection Service	39.15
Business Disconnection/Reconnection Service	92.43
After Hours Reconnection Service	108.74

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WAPC CALCULATION AND INPUTS

DUOS tariff		Year t+1 notional revenue (\$'000)				Year t notional revenue (\$'000)			
Code	Name	DUOS (t+1) * Q (t-1) adj (t+1)				DUOS (t) * Q (t-1) adj (t)			
		Fixed charge	GJ	MDQ	Total	Fixed charge	GJ	MDQ	Total
Domestic tariffs									
5300,5301	WAGGA_RESIDENTIAL	2,901	2,916	-	5,817	2,796	2,810	-	5,606
Non domestic tariffs									
5302	WAGGA_COMMERCIAL	143	156	-	299	159	173	-	332
5303	WAGGA_INDUSTRIAL	12	28	-	40	14	31	-	45
	Bomen	-	-	221	221	-	-	214	214
	Central	-	-	51	51	-	-	55	55
	Fringe	-	-	280	280	-	-	305	305
Total domestic revenue					5,817				5,606
Total non-domestic nrevenue					892				951
Total prescribed service revenue					6,709				6,557
Weighted average price change in proposed DUOS tariffs									2.3%

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DUOS proposed tariffs for year t+1 (excluding GST)

DUOS tariff		2008	2008			2008			2008
Code	Name	Fixed charge (\$ per year)	DUOS usage charges (\$/GJ)			MDQ			
			Non-TOU	Peak	Shoulder	Off-peak	Non-TOU		
	yr available								
Domestic tariffs									
5300,5301	WAGGA_RESIDENTIAL	171.96	4.38						-
Non-domestic non-CRNP tariffs									
5302	WAGGA_COMMERCIAL	287.38	1.71						-
5303	WAGGA_INDUSTRIAL	1,033.77	1.71						-
	Bomen	-	-						87.23
	Central	-	-						158.56
	Fringe	-	-						361.69

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Quantities for year t-1 adjusted for reasonable estimates for year t+1

Network tariff			2006	2006				2006
Code	Name	yr available	Customers (number)	Single and ToU consumption billed (GJ)				MDQ
				Non-TOU	Peak	Shoulder	Off-peak	Non-TOU
Domestic tariffs								
5300,5301	WAGGA_RESIDENTIAL	t	16,868	665,814	-	-	-	-
Non-domestic non-CRNP tariffs								
5302	WAGGA_COMMERCIAL	t	498	91,229	-	-	-	-
5303	WAGGA_INDUSTRIAL	t	12	16,330	-	-	-	-
	Bomen	t	6	386,630	-	-	-	2,539
	Central	t	5	57,698	-	-	-	321
	Fringe	t	5	181,147	-	-	-	775
Total domestic			16,868	665,814	-	-	-	-
Total non-domestic non-crnnp			526	733,032	-	-	-	3,635
TOTAL			17,394	1,398,846	-	-	-	3,635

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DUOS tariffs for year t (excluding GST)

DUOS tariff			2007	2007				2007
Code	Name	yr available	Fixed charge (\$ per year)	DUOS usage charges (\$/GJ)				MDQ
				Non-TOU	Peak	Shoulder	Off-peak	Non-TOU
Domestic tariffs								
5300,5301	WAGGA_RESIDENTIAL	t	165.76	4.22				-
Non-domestic non-CRNP tariffs								
5302	WAGGA_COMMERCIAL	t	319.31	1.90				-
5303	WAGGA_INDUSTRIAL	t	1,117.59	1.90				-
	Bomen	t	-	-				84.28
	Central	t	-	-				172.34
	Fringe	t	-	-				393.14

	Maximum Meter Flow Rate (m ³ /hr)	1/7/08- 30/6/09
VOLUME		
Residential and Small Business	10	
Annual Charge \$		171.96
\$/GJ		4.38
Commercial	30	
Annual Charge \$		287.38
\$/GJ		1.71
Industrial	150	
Annual Charge \$		1,033.77
\$/GJ		1.71
CONTRACT		
\$/GJ of MDQ/year		
Bomen	N/A	87.23
Central	N/A	158.56
Fringe	N/A	361.69

Meter Type	Monthly Metering Charge \$2008/09
6GT	510.96
4GT	496.71
AL5000	535.30
AL2300	505.86
AL1000	446.76
7M175	449.84
5M175	441.97
3M175	467.27

Additional Service	Charge \$2008/09
Residential Meter Testing Service	221.09
Special Meter Reading Service	38.27
Reconnection Service	44.64
Disconnection Service	38.27
Business Disconnection/Reconnection Service	90.35
After Hours Reconnection Service	106.29