



Allgas Energy Pty Limited

ABN 52 009 656 446

Model Standing Offer for a Basic Connection Service

Queensland Network

Date: July 2015

STANDING OFFER FOR BASIC CONNECTION SERVICE

The National Gas Rules require a distributor to have a model standing offer to provide a basic connection service to retail customers.

This document contains the model standing offer by Allgas Energy Pty Limited ("Allgas") to provide basic connection services to a retail customer for connection between the retail customer's premises and the covered pipeline which constitutes Allgas' Queensland gas distribution network.

The model standing offer comprises the offer document and the standard terms and conditions, both which are set out in this document.

The first basic connection service available under the model standing offer comprises the provision of a new connection, between Allgas' distribution network and the retail customer's premises, where:

- (a) the provision of the service involves minimal or no extension to, or augmentation of, the distribution network; and
- (b) Allgas estimates that the retail customer's consumption of gas, at or through the connection, will be less than 1 terajoule ("TJ") of gas per annum; and
- (c) Allgas believes that the capital expenditure conforms with the National Gas Rules and estimates that the present value of the expected incremental value to be generated as a result of Allgas' capital expenditure for the relevant connection assets exceeds the present value of that capital expenditure; and
- (d) Allgas (and its authorised representatives) have safe and unhindered access to the retail customer's premises, so that it is not necessary for Allgas (or its authorised representatives) to make a repeat visit to the premises.

The second basic connection service available under the model standing offer comprises a repeat visit to commence or continue new connection work where Allgas (or its authorised representatives) do not get safe and unhindered access to the retail customer's premises, so that a repeat visit becomes necessary.

The model standing offer is available to all retail customers whose estimated consumption at the new connection point is less than 1 TJ per annum.

OFFER DOCUMENT

By this document, Allgas Energy Pty Limited (“**Allgas**”) offers to provide a basic connection service to the retail customer named below, on and subject to the terms and conditions set out in Allgas’ standing offer for basic connection services. A copy of the terms and conditions is available at <http://www.apa.com.au/>.

Terms used in this offer have the meanings given to them in clause 15 of the terms and conditions.

The details applicable to Allgas’ offer are as follows:

Retail Customer’s Name	
Retail Customer’s Premises (Address)	
Gas Retailer	
Connection Applicant	Retail Customer / Retailer on behalf of Retail Customer [Delete whichever is not applicable]
Timeframe for Commencement of Work	Unless otherwise agreed, within 20 business days from the date of acceptance of this offer (on a best endeavours basis only and subject to clause 5 of the terms and conditions). Allgas may commence the work at any time within this period.
Timeframe for Completion of Work	Within 2 business days after the commencement of the work (on a best endeavours basis only and subject to clause 5 of the terms and conditions).
Agreed Date for Connection (if applicable)	On a date which has been agreed or otherwise, the date which is 20 business days from the date of acceptance of this offer (on a best endeavours basis only and subject to clause 5 of the terms and conditions).
Excluded Works	[*****] / N/A [Delete whichever is not applicable]
Assumed Future Use of Supply Services	[**] gigajoules (“GJ”) of gas per annum (at a maximum hourly quantity of [**] GJ per hour).
Date of Offer	

****** IMPORTANT NOTES ******

THE DETAILS SET OUT IN THIS OFFER MUST BE READ IN CONJUNCTION WITH THE TERMS AND CONDITIONS.

THIS OFFER WILL REMAIN OPEN FOR ACCEPTANCE FOR 45 BUSINESS DAYS FROM THE DATE OF THE OFFER (UNLESS THE PERIOD FOR ACCEPTANCE IS EXTENDED BY AGREEMENT BETWEEN THE CONNECTION APPLICANT AND ALLGAS).

IF THE CONNECTION APPLICANT WISHES TO ACCEPT THIS OFFER, THE CONNECTION APPLICANT MUST:

- (a) SIGN AND COMPLETE THE ACCEPTANCE FORM SET OUT BELOW; AND
- (b) RETURN THIS DOCUMENT, BEFORE THE END OF THE PERIOD FOR ACCEPTANCE, TO:

[*****]
Allgas Energy Pty Limited
[Insert Address]

THIS OFFER WILL LAPSE IF THIS DOCUMENT (WITH THE SIGNED AND COMPLETED ACCEPTANCE FORM) IS NOT RECEIVED BEFORE THE END OF THE PERIOD FOR ACCEPTANCE.

SIGNED for and on behalf of
ALLGAS ENERGY PTY LIMITED by:

.....
Authorised Signatory

ACCEPTANCE FORM

By signing and returning this acceptance form, the Connection Applicant named in this document accepts the offer set out in this document.

If the signatory is not the retail customer, the signatory warrants the signatory's authority to accept the offer for and on behalf of the retail customer.

SIGNED:
NAME OF SIGNATORY (in block capital letters):
TITLE OF SIGNATORY (in block capital letters):
RELATIONSHIP TO RETAIL CUSTOMER, IF APPLICABLE: (e.g. retailer)
DATE OF SIGNING:

TERMS AND CONDITIONS

1. OFFER TO PROVIDE A BASIC CONNECTION SERVICE

This document sets out the terms and conditions of Allgas' offer to provide basic connection services to the retail customer.

2. NATURE OF THE BASIC CONNECTION SERVICES

The basic connection services comprise the provision of a new connection, between Allgas' distribution network and the retail customer's premises, where:

- (a) the provision of the service involves minimal or no extension to, or augmentation of, the distribution network; and
- (b) Allgas estimates that the retail customer's consumption of gas, at or through the connection, will be less than 1TJ per annum; and
- (c) Allgas believes that the capital expenditure conforms with the National Gas Rules and estimates that the present value of the expected incremental revenue to be generated as a result of Allgas' capital expenditure for the relevant connection assets exceeds the present value of that capital expenditure.

To estimate the retail customer's future consumption at or through the connection, Allgas has relied, and will rely, on information provided by the connection applicant and other information that is or becomes available to Allgas. Allgas' current estimate of future consumption is set out in the offer document as the assumed future use of supply services.

3. DESCRIPTION OF THE CONNECTION

The new connection will comprise the installation of a new physical link between the distribution network and the retail customer's premises to allow the flow of natural gas. The physical link will comprise:

- (a) a metering installation; and
- (b) a service pipe to connect the metering installation to the distribution network.

The works involved in the provision of the new connection do not include any works other than those necessarily involved in the provision of the metering installation and the service pipe between the gas mains and the metering installation. In particular, but without limitation, the works will not include the provision of pipe beyond the metering installation. In addition, if any works are shown as excluded works in the offer document, those works are not included in the provision of the new contract.

4. CONNECTION CHARGES

There are no connection charges for the basic connection service where Allgas (and its authorised representatives) have safe and unhindered access to the retail customer's premises, so that it is not necessary for Allgas (or its authorised representatives) to make a repeat visit to the premises.

If Allgas or its authorised representatives do not have safe and unhindered access to the retail customer's premises and a repeat visit is required to undertake work associated with the connection when safe and unhindered access is available, Allgas will impose a connection charge in accordance with clause 7.3 for the additional connection service involved in the repeat visit.

5. TIMEFRAMES FOR WORK

5.1 Best Endeavours to Achieve Timeframes

Allgas will use its best endeavours to ensure that the connection work is commenced and completed within the timeframes specified in the offer document.

Note: Allgas' obligations under this sub-clause are subject to sub-clause 5.2 and clause 6.

5.2 Timeframes Subject to Compliance

Allgas is not obliged to commence or continue the connection work if the connection applicant fails to comply with conditions that are to be complied with by the connection applicant.

5.3 Energisation

Allgas is not required to energise the new connection unless a request to energise the new connection is submitted by a retailer, or Allgas is otherwise satisfied that there is a relevant contract between the retail customer and a retailer in relation to the retail customer's premises.

6. CUSTOMER SAFETY AND TECHNICAL MATTERS

6.1 General Safety Requirement

The retail customer must maintain the gas system at the retail customer's premises in a safe and sound condition.

6.2 Provision of suitable space

The retail customer must ensure that there is space, housing, mounting and connecting facilities for the metering installation at the retail customer's premises, which are in a position that meets Allgas' reasonable requirements.

6.3 Safety of Gas System

The retail customer must take all reasonable steps to ensure the gas system at the retail customer's premises complies with the relevant safety requirements applying at law, including:

- (a) ensuring that a suitably qualified person carries out the installation, servicing, repairing, decommissioning and disposal of any part of the gas system; and
- (b) ensuring that if a suitably qualified person or government inspector notifies the retail customer that the retail customer's gas system is unsafe, that the gas system is not used until it has been made safe.

6.4 Suitably Qualified Persons

The retail customer must ensure that all work done on the retail customer's gas system is undertaken by a person holding a gas work licence (or if applicable gas work authorisation – relevant to commercial and industrial gas installations and devices).

6.5 Notification Requirements – Initial Installation

If in relation to the establishment of the connection the retail customer is installing a gas system the retail customer must provide Australian Gas Networks with such information Allgas requires in respect of the components of that gas system and the likely gas demand of the gas system.

6.6 Notification Requirements – New Major Gas Devices

If the retail customer installs a gas device with an hourly capacity above 100 MJ they must provide Allgas with such information Allgas requires in respect of the device and the likely gas demand of the device and the retail customer's gas system.

6.7 Certificate of Compliance

The retail customer must co-operate to assist Allgas obtain from the person engaged by the retail customer under clause 6.4 certificates of compliance relating to the work undertaken by that person.

7 GENERAL CLAUSES

7.1 Full Information

The retail customer must give Allgas any information Allgas reasonably requires for the purposes of the connection contract. The information must be correct. The retail customer must not mislead or deceive Allgas in relation to any information provided to Allgas.

7.2 Customer's Obligation to Comply with Energy Laws and Allgas Requirements

The retail customer must comply with:

- (a) the energy laws (including the *Gas Safety Act 2003* and the *Petroleum and Gas (Production and Safety) Act 2004*) relating to the provision of basic connection services under the connection contract (including the requirements specified in clause 6.1 to 6.6); and
- (b) Allgas' reasonable requirements under the energy laws, including Allgas' service and installation rules. This includes a requirement that the retail customer provides and maintains at the retail customer's premises any reasonable or agreed facility required by Allgas to provide a basic connection service to the retail customer's premises.

7.3 Access to the Premises

The retail customer must provide Allgas and its authorised representatives (together with all necessary equipment) safe and unhindered access to the retail customer's premises, including taking appropriate action to prevent menacing or attack by animals at the premises, at any reasonable time to allow Allgas to provide the connection. If Allgas or its representatives do not have safe and unhindered access to the premises and are required to undertake a repeat visit to undertake work when safe and unhindered access is available, Allgas will impose a connection charge for the additional connection service

involved in the repeat visit. The details of the charge are available on Allgas' website (<http://www.apa.com.au/>) and will be calculated on the basis detailed on Allgas' website at the relevant time.

7.4 Allgas' Obligations

If Allgas or its representatives seek access to the premises under sub-clause 7.3 above, they will:

- (a) comply with all relevant requirements under the energy laws;
- (b) carry or wear official identification; and
- (c) show the identification if requested.

7.5 Obligations if not an Owner

If the retail customer cannot meet an obligation relating to the retail customer's premises under the connection contract because the retail customer is not the owner of the premises, the retail customer will not be in breach of the obligation if the retail customer takes all reasonable steps to ensure that the owner or other person responsible for the premises fulfils the obligation.

7.6 Privacy Act

Allgas will comply with all relevant privacy legislation in relation to the retail customer's personal information. A summary of Allgas' privacy policy can be found on Allgas' website. If the retail customer has any questions, the retail customer can contact the privacy officer as specified in the policy.

8 VALIDITY OF OFFER

Allgas' offer is made on the date of offer specified in the offer document. The offer remains open for acceptance for 45 business days from the date of the offer (unless the period for acceptance is extended by agreement between the connection applicant and the distributor). The offer lapses if not accepted within that period for acceptance.

9 EFFECT OF ACCEPTANCE

9.1 Deemed Standard Connection Contract

Upon acceptance of the offer, the terms and conditions set out in this document will form additional terms and conditions of the deemed standard connection contract that will arise between Allgas and the retail customer, in relation to the retail customer's premises, in accordance with section 70(2) of the National Energy Retail Law.

9.2 Other Customer Connection Contract

Clause 9.1 will not apply where the acceptance of the offer does not give rise to a deemed standard connection contract under section 70(2) of the National Energy Retail Law. In that case, upon acceptance of the offer, the terms and conditions set out in this document will form additional terms and conditions of the deemed AER approved standard connection contract or negotiated connection contract (whichever exists) between Allgas and the retail customer in relation to the retail customer's premises.

10 SCOPE OF CONTRACT

10.1 Scope of Connection Contract

Under the connection contract, Allgas agrees to provide a basic connection service at the retail customer's premises. Allgas also agrees to meet other obligations set out in the connection contract and to comply with energy laws.

10.2 Customer Connection Services

The connection contract does not cover the provision of customer connection services (apart from the basic connection service). Other customer connection services are provided under the customer connection contract.

10.3 Sale of Energy

The connection contract does not cover the sale of gas at the retail customer's premises. This is the role of the gas retailer.

11 FORCE MAJEURE

11.1 Effect of Force Majeure

If either party cannot meet an obligation under the connection contract because of an event outside the control of the party ("a **force majeure event**"):

- (a) the obligation is suspended to the extent that it is affected by the event for so long as the event continues; and
- (b) the affected party must use its best endeavours to give the other prompt notice of that fact, including full particulars of the event, an estimate of its likely duration, the extent to which its obligations are affected and the steps taken to remove, overcome or minimise those effects.

11.2 Deemed Prompt Notice

If the effects of force majeure are widespread, Allgas will be taken to have given prompt notice if Allgas makes the necessary information available by way of a 24-hour telephone service within 30 minutes of being advised of the event or otherwise as soon as practicable.

11.3 Obligation to overcome or minimise effect of Force Majeure

A party that claims a force majeure event must use its best endeavours to remove, overcome or minimise the effects of the event as soon as practicable.

11.4 Settlement of Industrial Disputes

Nothing in this clause requires a party to settle an industrial dispute that constitutes a force majeure event in any manner other than the manner preferred by that party.

12 ALLGAS' OBLIGATIONS

Some obligations placed on Allgas under the connection contract may be carried out by another person. If an obligation is placed on Allgas to do something under the connection contract, then:

- (a) Allgas is taken to have complied with the obligation if another person does it on Allgas' behalf; and
- (b) If an obligation is not complied with, Allgas is still liable for the failure to comply with the connection contract.

13 LIABILITY

13.1 No Conditions

To the extent permitted by law, Allgas gives no condition, warranty or undertaking, and makes no representation, about the condition, suitability of gas, its quality, fitness for purpose or safety, other than as set out in the customer connection contract.

13.2 Exclusion of Liability

Unless Allgas has acted in bad faith or negligently, the National Energy Retail Law excludes Allgas' liability for any loss or damage the retail customer suffers as a result of the total or partial failure to supply energy to the retail customer's premises.

14 NOTICES

14.1 How Sent

Notices under the connection contract must be sent in writing unless the connection contract or the National Gas Rules say otherwise.

14.2 When Received

A notice sent under the connection contract is taken to have been received by the retail customer or Allgas (as relevant):

- (a) on the day it is handed to the party, left at the party's premises (in the case of the retail customer) or one of Allgas' offices (which excludes depots)(in the case of Allgas) or successfully faxed to the party (which occurs when the sender receives a transmission report to that effect); or
- (b) on the date two business days after it is posted; or
- (c) on the date of transmission (unless the sender receives notice that delivery did not occur or has been delayed) if sent electronically and the use of electronic communication has been agreed between Allgas and the retail customer.

15 DEFINITIONS

Terms used in this document have the meanings given to them in the National Gas Rules unless otherwise defined in this document. In this document:

"agreed date for connection" means the agreed date for connection (if any) specified in the offer document.

“basic connection service” means the basic connection service which Allgas offers to provide pursuant to the offer document in relation to the retail customer’s premises.

“connection” means a physical link between the distribution network and the retail customer’s premises to allow the flow of gas.

“connection applicant” means the connection applicant identified in the offer document. Where the connection applicant so identified is a retailer, a reference to the connection applicant includes a reference to both the retail customer and to the retailer on behalf of the retail customer and also to either of them.

“connection contract” means the connection contract formed by the making and acceptance of the offer set out in the offer document.

“connection work” means the work involved in the provision of the basic connection service.

“customer connection contract” means the deemed standard connection contract, the deemed AER approved standard connection contract or the negotiated connection contract (whichever exists) between Allgas and the retail customer, in relation to the retail customer’s premises.

“distribution network” means the covered pipeline which constitutes Allgas’ Queensland gas distribution network (which is a “distribution pipeline” within the meaning of that term as defined in Part 12A of the National Gas Rules).

“energise” means open the connection in order to allow the flow of gas to the retail customer’s premises.

“gas system” has the meaning given to it in the *Petroleum and Gas (Production and Safety) Act 2004* being “a system that consists of installed gas devices, containers, fittings, flues or pipes, in any combination” and including a system of interconnected domestic gas devices installed in a dwelling house.

“GJ” means a gigajoule, which is one thousand megajoules.

“metering installation” means a meter and associated equipment and installations, which may include correctors, regulators, filters, data loggers and telemetry relating to a delivery point.

“National Energy Retail Law” has the meaning given to that term in the *National Energy Retail Law (Queensland) Act 2014* as in force from time to time.

“National Gas Law” has the meaning given to that term in the *National Gas (Queensland) Act 2008* as in force from time to time.

“new connection” means a connection to be established in accordance with Part 12A of the National Gas Rules and applicable energy laws.

“offer document” means the offer document which:

- (a) contains the offer made by Allgas; and
- (b) incorporates the terms and conditions of Allgas’ standing offer for basic connection services.

“retail customer” means the retail customer identified in the offer document.

“retail customer’s premises” means the retail customer’s premises as specified in the offer document.

“TJ” means a terajoule, which is one thousand gigajoules.

16 APPLICABLE LAW

The law of Queensland governs the connection contract.