

Gas Distribution Network Code

made under the *Gas Supply Act 2003*



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CHAPTER 1: THIS CODE

1.1 Introduction

1.1.1 Code objective

The objective of this *Code* is to promote efficient investment in, and efficient use of, *processed natural gas* services for the long-term interests of Queensland *customers of processed natural gas* about price, quality, safety, reliability and security of *supply of processed natural gas*.

1.1.2 Scope

The scope of this *Code* is to require *distributors*, in relation to their gas infrastructure that is not a distribution system under the NERL (Qld), to comply with specified *customer* protection provisions for *small customers*.

1.1.3 Date of effect

Subject to section 270C(2) of the *Gas Supply Act*, this *Code* takes effect on and from **1 July 2015**.

1.1.4 Application

Each *distributor* must comply with this *Code* as a condition of its *distribution authority*.

1.1.5 Obligation to remedy

If a *distributor* breaches this *Code*, it must remedy that breach as soon as practicable.

1.1.6 Amendment of *Code*

This *Code* can only be amended in accordance with the procedures and consultation processes set out in *gas legislation*.

1.1.7 Interpretation

Words appearing like *this* are defined in clause 3.1.1.

1.1.8 Other relevant instruments

Not all aspects of a *distributor's* obligations are regulated by this *Code*. A *distributor's* obligations and some aspects of its relationships with a *customer* may also be affected by other instruments, including:

- (a) the *Gas Supply Act*;
- (b) the *Gas Supply Regulation*;
- (c) the *National Gas (Queensland) Act*;
- (d) the *National Gas (Queensland) Law*;
- (e) the *National Gas (Queensland) Regulations*;
- (f) the *National Gas Rules*;
- (g) the *Petroleum and Gas Act*;
- (h) the *Petroleum and Gas Regulations*;
- (i) consumer protection laws, including the *Competition and Consumer Act 2010 (Cth)* and the *Fair Trading Act 1989 (Qld)*; and
- (j) a *distributor's distribution authority*.

CHAPTER 2: CUSTOMER CONNECTION SERVICES

2.1 Application of this Chapter

This Chapter applies to *distributors* in relation to *small customers*.

2.2 Minimum terms

For the purposes of section 109B(2) of the *Gas Supply Act*, clauses 2.3 to 2.4 are minimum terms for the provision of *customer connection services* to *small customers*.

2.3 Disconnection and reconnection

2.3.1 When a *distributor* may *disconnect*

- (a) The *distributor* may only *disconnect* a *small customer's* premises on the following grounds:
- (i) because of an emergency or for a health or safety reason;
 - (ii) the *disconnection* has been directed under a dangerous situation direction under the *Petroleum and Gas Act*;
 - (iii) to carry out work that needs to be carried out without delay to prevent an emergency or a health or safety incident;
 - (iv) to carry out work to the *distributor's* distribution system if:
 - (A) the work is reasonably required and is done at a reasonable time; and
 - (B) the *small customer* is given reasonable notice of the *disconnection*;
 - (v) *customer connection services* to the premises are denied or limited under an insufficiency of *supply* direction;
 - (vi) the *small customer* has contravened section 130 of the *Gas Supply Act* by preventing the officers of the *distributor* from safely exercising their powers of entry as granted by section 138 of the *Gas Supply Act*;
 - (vii) if the *small customer* has fraudulently acquired or intentionally consumed gas otherwise than in accordance with *gas legislation*;
 - (viii) on request by a *retailer* or an *exempt seller*; and
 - (ix) as otherwise permitted under *gas legislation*.
- (b) The *disconnection* may be to the extent and for the period that the *distributor* reasonably believes is appropriate in the circumstances.

2.3.2 When *distributor* must *disconnect*

If the *distributor* receives a *disconnection request* from a *retailer* or an *exempt seller*, the *distributor* must, within five *business days*, comply with the request unless the *distributor* reasonably believes it would be unsafe or impractical to comply.

2.3.3 Reconnection

- (a) This clause 2.3.3 applies if:
 - (i) under clause 2.3.2, the *distributor* has *disconnected* a *small customer's premises*; and
 - (ii) a *retailer* or an *exempt seller* gives the *distributor* a notice asking for the *small customer's premises* to be *reconnected*.
- (b) If the relevant *processed natural gas* installation and meters comply with all requirements under the *Petroleum and Gas Act* and any other relevant Act, the *distributor* must *reconnect* the *small customer's premises* within five *business days*.
- (c) The obligation to *reconnect* is subject to the limits on the *distributor's* obligation to provide *customer connection services* under section 109 of the *Gas Supply Act*.

2.3.4 Compensation for failure to *disconnect* or *reconnect*

- (a) This clause 2.3.4 applies if a *distributor* contravenes clauses 2.3.2 or 2.3.3 and a person as follows (the *claimant*) suffers a cost, damage or loss because of the contravention:
 - (i) a person who wants to *reconnect processed natural gas supply*;
 - (ii) for clause 2.3.2 - the *retailer* who made the *disconnection request*;
 - (iii) for clause 2.3.3 - the *retailer* or the *exempt seller* that gave the notice asking for the *small customer's premises* to be *reconnected*.
- (b) The *distributor* must pay compensation for the cost, damage or loss suffered by the *claimant*.

2.4 Indemnity and liability

2.4.1 No indemnity

A *distributor* must ensure that any *connection contract* it enters into with a *small customer* does not include an indemnity or other term or condition the effect of which is to entitle the *distributor* to recover from the *small customer* in respect of:

- (a) any breach by the *small customer* of the contract; or
- (b) any negligence by the *small customer* in relation to the contract,

any greater amount than that which, under common law (including in equity) or statute, the *distributor* is entitled to as compensation for the *small customer's* breach of contract or negligence.

2.4.2 Restrictions on *distributors*' limitation of liability in *connection contracts*

A *distributor* must ensure that any clause in any *connection contract* it enters into with a *small customer* limiting the liability of the *distributor* to the *small customer* does not provide any greater limitation of liability than that provided for in clauses 2.4.3 to 2.4.4.

2.4.3 Consumer Guarantees and the *Competition and Consumer Act 2010*

- (a) The *Competition and Consumer Act 2010* (Cth) and other consumer protection laws provide certain statutory guarantees, conditions, warranties or rights that cannot be excluded or limited.
- (b) Subject to any such non-excludable rights under consumer protection laws, the *distributor* gives no guarantee, condition, warranty or undertaking, and makes no representation to the *small customer* about the condition or suitability of gas, its quality, fitness for purpose or safety, other than those set out in the *connection contract*.
- (c) Any liability the *distributor* has to the *small customer* under these laws that cannot be excluded but that can lawfully be limited is (at the *distributor's* option) limited to:
 - (i) providing equivalent goods or services provided under this contract to the *small customer's premises*; or
 - (ii) paying the *small customer* the cost of replacing the goods or services provided under the *connection contract* to the *small customer's premises*, or acquiring equivalent goods or services.

2.4.4 Non-exclusion

Clause 2.4.3 is in addition to, and does not vary or exclude, the operation of sections 315 and 316 of the *Gas Supply Act* or section 856 of the *Petroleum and Gas Act*.

3.1 Definitions and interpretation

3.1.1 Definitions

business day means a day, other than a Saturday, a Sunday or a Queensland wide public holiday (as appointed under the *Holidays Act 1983* (Qld)).

claimant has the meaning given in clause 2.3.4(a).

Code means this Gas Industry Code.

connection contract has the meaning given in the *Gas Supply Act*.

customer has the meaning given in the *Gas Supply Act*.

customer connection services has the meaning given in the *Gas Supply Act*.

disconnect has the meaning given in the *Gas Supply Act*.

disconnection request has the meaning given in clause 2.3.2

distribution authority has the meaning given in the *Gas Supply Act*.

distribution system has the meaning given in the *Gas Supply Act*.

distributor means an entity that holds a *distribution authority*.

exempt seller means either of Maranoa Regional Council or Western Downs Regional Council as the holder of an individual exemption under regulation 14 of the National Energy Retail Regulations.

Fair Trading Act means the *Fair Trading Act 1989* (Qld).

gas legislation means the *Gas Supply Act*, *Petroleum and Gas Act*, *National Gas (Queensland) Act* and regulations, standards, codes, protocols and rules made under those acts.

Gas Supply Act means the *Gas Supply Act 2003* (Qld).

Gas Supply Regulation means the *Gas Supply Regulation 2007* (Qld).

National Energy Retail Regulations means the regulations applying in Queensland under section 5 of the *National Energy Retail Law (Queensland) Act*.

National Energy Retail Law (Queensland) Act means the *National Energy Retail Law (Queensland) Act 2014* (Qld).

National Gas (Queensland) Act means the *National Gas (Queensland) Act 2008* (Qld).

National Gas (Queensland) Law means the law applying in Queensland under section 7 of the *National Gas (Queensland) Act*.

National Gas (Queensland) Regulations means the regulations applying in Queensland under section 8 of the *National Gas (Queensland) Act*.

Petroleum and Gas Act means the *Petroleum and Gas (Production and Safety) Act 2004* (Qld).

Petroleum and Gas Regulations means the *Petroleum and Gas (Production and Safety) Regulations 2004* (Qld).

premises means the address at which *customer retail services* or *customer connection services* (as the context requires) are provided to a *customer*.

processed natural gas has the meaning given in the *Gas Supply Act*.

reconnection has the meaning given in the *National Energy Retail Law (Queensland) Act*.

retailer means an entity that holds a *retail authority*.

small customer has the meaning given in the *Gas Supply Act*.

supply has the meaning given in the *Gas Supply Act*.

Other grammatical forms of words defined in the dictionary are taken to have a corresponding meaning.

3.1.2 Interpretation

Unless the contrary intention appears, a reference in this *Code* to:

- (a) **(headings)** headings are for convenience only and do not affect the interpretation of this *Code*;
- (b) **(variations or replacement)** a document (including this *Code*) includes any variation or replacement of it;
- (c) **(clauses, schedules and annexures)** a clause, schedule or annexure is a reference to a clause in or schedule or annexure to this *Code*;
- (d) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (e) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (f) **(singular includes plural)** the singular includes the plural and vice versa;
- (g) **(person)** the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (h) **(dollars)** \$ is a reference to the lawful currency of Australia;
- (i) **(calculation of time)** if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;

- (j) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (k) **(meaning not limited)** the words “include”, “including” or “for example” are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (l) **(next business day)** if an event under this agreement must occur on a stipulated day which is not a *business day* then the stipulated day will be taken to be the next *business day*;
- (m) **(reference to anything)** anything (including any amount) is a reference to the whole and each part of it;
- (n) **(footnotes)** footnotes are for reference only and do not affect the interpretation of this *Code*.