Gas Supply (General) Regulation 1997

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Gas Supply (General) Regulation 1997



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Gas Supply (General) Regulation 1997



Part 1 Preliminary

1 Name of Regulation

This Regulation is the Gas Supply (General) Regulation 1997.

2 Commencement

This Regulation commences on 31 August 1997.

3 Definitions

In this Regulation:

Director-General means the Director-General of the Department of Energy.

Gas Installation Code means the code published by the Australian Gas Association and the Australian Liquefied Petroleum Gas Association under the title AG 601:Gas Installation Code, as in force from time to time.

gas marketer has the same meaning as it has in Division 5 of Part 2A of the Act.

gasfitting rules, in relation to gasfitting work carried out in connection with a distribution system, means rules established by the safety and operating plan for the distribution system.

Industrial and Commercial Gas Appliances Code means the code published by the Australian Gas Association and the Australian Liquefied Petroleum Gas Association under the title AG 501: Code for Industrial and Commercial Gas Appliances, as in force from time to time.

LP Gas Storage and Handling Code means the code published by Standards Australia under the title AS 1596–1989: *LP Gas Storage and Handling*, as in force from time to time.

Marketing Code of Conduct has the same meaning as it has in Division 5 of Part 2A of the Act.

person responsible, in relation to the carrying out of gasfitting work, means the person

who carries out the gasfitting work, or who supervises the carrying out of the gasfitting work, under the authority of an appropriate supervisor certificate referred to in clause 6 (1).

review panel means a review panel established under section 29 of the Act.

safety and operating plan, in relation to a distribution system, means a safety and operating plan that is required by the regulations under the Act to be prepared and implemented for the distribution system.

the Act means the Gas Supply Act 1996.

4 Notes

The explanatory note, table of contents and notes in this Regulation do not form part of this Regulation.

Part 2 Gasfitting work

5 Application of Part

- (1) This Part:
 - (a) applies to gasfitting work carried out:
 - (i) on a gas installation to which gas is supplied from a distribution system, or
 - (ii) for the purpose of connecting a gas appliance to, or disconnecting a gas appliance from, such a gas installation, and
 - (b) does not apply to gasfitting work carried out:
 - (i) on a gas installation to which gas is supplied otherwise than from a distribution system, or
 - (ii) for the purpose of connecting a gas appliance to, or disconnecting a gas appliance from, such a gas installation.
- (2) This Part does not apply to gasfitting work involving the installation, alteration, extension, repair, connection or disconnection of such part of a gas installation as conveys or controls the conveyance of gas from a distribution system, from the boundary of the premises in which the gas installation is situated to the gas meter outlet, where the work is carried out by or on behalf of the relevant network operator.

6 Gasfitting work to be carried out by, or under the supervision of, suitably qualified gasfitters

(1) A person must not carry out any kind of gasfitting work, or employ any other person to carry out any kind of gasfitting work, unless the person by whom the work is carried

out does so:

- (a) under the authority of an appropriate supervisor certificate, or
- (b) under the authority of an appropriate registration certificate and under the general supervision of the holder of an appropriate supervisor certificate, or
- (c) under the immediate supervision of the holder of an appropriate supervisor certificate.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

(2) In this clause:

registration certificate, in relation to a particular kind of gasfitting work, means a certificate of registration in force under the *Home Building Act 1989* authorising the holder to carry out that kind of work under general supervision.

supervisor certificate, in relation to a particular kind of gasfitting work, means a supervisor certificate in force under the *Home Building Act 1989* authorising the holder to carry out, and to supervise, that kind of work, and includes a licence endorsed under that Act to show that it is the equivalent of such a certificate.

7 Gasfitting work to comply with certain standards

- (1) A person must not carry out gasfitting work otherwise than in accordance with any relevant gasfitting rules or (if no gasfitting rules apply to the work) in accordance with:
 - (a) in the case of all gasfitting work, the Gas Installation Code, and
 - (b) in the case of gasfitting work involving installations or systems that convey liquefied petroleum gas, the *LP Gas Storage and Handling Code*.

Maximum penalty: 20 penalty units.

- (2) Without affecting the generality of subclause (1), a person must not connect a gas appliance to a gas installation or modify a gas appliance connected to a gas installation unless the appliance (or the appliance as modified):
 - (a) is certified under a scheme conducted by the Australian Gas Association or the Australian Liquefied Petroleum Gas Association for the certification of appliances, or
 - (b) if no such scheme exists or if the appliance (being of a rare or unusual type or design) is not covered by such a scheme, is approved by the relevant network operator or a person authorised by the Director-General to approve appliances of that type.

Maximum penalty: 20 penalty units.

- (3) A network operator must include in its safety and operating plan procedures for approving appliances for the purposes of subclause (2) (b), being procedures no less stringent than the procedures set out in:
 - (a) the Industrial and Commercial Gas Appliances Code, or
 - (b) if that code is not applicable to the appliances, such other code or standard as the Director-General determines to be appropriate in the circumstances.
- (4) A network operator or authorised person may charge a reasonable fee for giving an approval under subclause (2) (b).

8 Testing for defects

- (1) Immediately after completing gasfitting work on a gas installation, the person responsible for the carrying out of the gasfitting work:
 - (a) must test the installation for defects, and
 - (b) must inspect all gas appliances connected to the installation.

Maximum penalty: 20 penalty units.

- (2) This clause does not apply to gasfitting work involving:
 - (a) the disconnection of a gas installation from a distribution system, or
 - (b) the disconnection of a gas appliance from a gas installation.

9 Certificates of compliance

- (1) Immediately after testing a gas installation following the completion of gasfitting work, the person responsible for the carrying out of the gasfitting work must issue a certificate of compliance with respect to that work:
 - (a) to the owner of the installation, or
 - (b) to a person having the control or management of the installation.

Maximum penalty: 20 penalty units.

(2) The person responsible for the carrying out of the gasfitting work must, within 7 days after completing the gasfitting work, send a copy of the certificate of compliance to the relevant network operator.

Maximum penalty: 20 penalty units.

(3) A certificate of compliance:

- (a) must be in a form approved by the Director-General, and
- (b) must indicate the nature of the gasfitting work that has been carried out, and
- (c) must state that the gasfitting work has been carried out in accordance with any relevant gasfitting rules, the *Gas Installation Code* or the *LP Gas Storage and Handling Code*, whichever is appropriate, and
- (d) must indicate whether or not the gas installation is in safe working order.
- (4) A person who issues a certificate of compliance must retain a copy of the certificate for 5 years from the date on which it was issued.
 - Maximum penalty: 20 penalty units.
- (5) This clause does not apply to gasfitting work involving:
 - (a) the disconnection of a gas installation from a distribution system, or
 - (b) the disconnection of a gas appliance from a gas installation.

Part 3 Operation of natural gas retail market

10 Definition of "small retail customer": section 33R

- (1) For the purposes of the definition of **small retail customer** in section 33R of the Act, the prescribed rate referred to in subsection (7) of that section is 1,000 gigajoules per year.
- (2) The rate at which a person consumes or is expected to consume natural gas at any premises is to be calculated by determining:
 - (a) the quantity of natural gas supplied to those premises in the immediately preceding period of 12 months, and
 - (b) the quantity of natural gas contracted to be supplied to those premises during the immediately following period of 12 months,

so that the person is taken to consume or be expected to consume natural gas at those premises only if the quantity of natural gas determined under paragraph (a) and the quantity of natural gas determined under paragraph (b) are each less than 1,000 gigajoules.

11 Additional disputes and complaints that may be dealt with under a gas industry ombudsman scheme

(1) The following disputes and complaints are prescribed as disputes and complaints for which a gas industry ombudsman scheme must make provision, as referred to in section 33G (1) of the Act:

- (a) any dispute between a person and a supplier as to whether the person is, or on becoming a customer would be, a small retail customer,
- (b) any dispute between a small retail customer and a supplier as to whether premises owned or occupied by the customer are connected to a distribution system,
- (c) any complaint by a small retail customer that alleges that a gas marketer has contravened the Marketing Code of Conduct.
- (2) A customer referred to in subclause (1) (a) is prescribed as a customer to which a gas industry ombudsman scheme:
 - (a) will be accessible, as referred to in section 33G (2) (d) of the Act, and
 - (b) will operate expeditiously and without cost, as referred to in section 33G (2) (g) of the Act.
- (3) A complaint referred to in subclause (1) (c) is exempt from the restriction imposed by section 33F (2) of the Act, and is consequently reviewable under a gas industry ombudsman scheme without the need for internal review under section 33E.

12 Gas marketer to comply with decision of gas industry ombudsman

A gas marketer must not fail to comply with a decision of a gas industry ombudsman under an approved gas industry ombudsman scheme as to a dispute between the marketer and a small retail customer.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

13 (Repealed)

Part 4 Review of Tribunal decisions

14 Applications for review: sections 26 and 28

- (1) An application to the Minister for a review of a decision or a gas pricing order of the Independent Pricing and Regulatory Tribunal:
 - (a) must be in writing, and
 - (b) must state the basis of the application, and
 - (c) must be accompanied by a fee determined by the Minister.
- (2) The Minister must give notice of the application, and of the proposed review:
 - (a) in a daily newspaper circulating throughout New South Wales, or

(b) in such other manner as the Minister considers appropriate.

15 Qualifications of members of review panels: section 29

- (1) A person is not to be appointed to be a member or a deputy of a member of a review panel unless, in the opinion of the Minister, the person has appropriate qualifications or experience having regard to the matter to be investigated by the panel.
- (2) A person is not to be appointed to a review panel if the person:
 - (a) is an employee or an associate of the holder of the authorisation with which the review panel's investigation will be concerned, or
 - (b) has a direct or indirect pecuniary interest in a matter with which the review panel's investigation will be concerned, other than such an interest that the person has merely as a result of being a gas user.

16 Appointment of deputies of members of review panels

- (1) The Minister may, from time to time, appoint a person to be the deputy of a member of a review panel.
- (2) In the absence of a member, the member's deputy:
 - (a) may, if available, act in the place of the member, and
 - (b) while so acting, has all the functions of the member and is to be taken to be a member.
- (3) The deputy of the member who is chairperson of the review panel has the functions of the chairperson while acting in the place of the chairperson.
- (4) No act, determination or proceeding of a review panel is invalid merely because at the time of the act, determination or proceeding there is a vacancy in the office of a member of the panel.

17 Allowances for members of review panels

A member or deputy of a member of a review panel is entitled to be paid such allowances as the Minister may from time to time determine in respect of the member or deputy.

18 General procedure of review panels

The procedure for:

- (a) the calling of and the conduct of business at meetings of a review panel, and
- (b) the conduct of investigations by a review panel,
- is, subject to the Act and this Regulation, to be as determined by the panel.

19 Quorum

The quorum for a meeting of a review panel is 2 members.

20 Presiding member

- (1) The chairperson of a review panel (or, in the absence of the chairperson, another member elected to chair the meeting by the members present) is to preside at a meeting of the panel.
- (2) The person presiding at a meeting of a review panel has a deliberative vote and, in the event of an equality of votes, a second or casting vote.

21 Voting

A decision supported by a majority of the votes cast at a meeting of a review panel at which a quorum is present is the decision of the panel.

22 Determination and payment of costs

- (1) The costs of and incidental to proceedings before a review panel are, subject to the Act and this Regulation, to be as determined by the panel.
- (2) The costs may include any allowances payable to the members of the panel.
- (3) The liability for the payment of the costs is to be as determined by the Minister on the recommendation of the panel.
- (4) The costs may be recovered by or on behalf of the Minister in a court of competent jurisdiction as a debt due to the Crown.

Part 5 Miscellaneous

22A Investigations by Tribunal

- (1) This clause applies to any investigation conducted by the Tribunal under section 32 of the Act in relation to an interim gas pricing order referred to in clause 19 of Schedule 2 to the Act.
- (2) For the purposes of any such investigation, the Tribunal may, but is not required to, hold a hearing under section 21 of the *Independent Pricing and Regulatory Tribunal Act 1992*.

22B (Repealed)

23 Refusal or discontinuance of supply

(1) A network operator may refuse or discontinue the supply of gas to a person if, in the opinion of the operator:

- (a) the supply or continued supply of gas is dangerous to life, health or property, or
- (b) the person's gas installation, or any gas appliances connected to it, are not installed in accordance with any relevant gasfitting rules, the *Gas Installation Code* or the *LP Gas Storage and Handling Code*, whichever is appropriate.
- (2) A network operator may discontinue a supply of gas to a person:
 - (a) by disconnecting the person's gas installation from the network operator's distribution system, or
 - (b) by disconnecting any gas appliances from the person's gas installation, or
 - (c) by otherwise rendering the person's gas installation or any such gas appliances inoperable.
- (3) A network operator that refuses or discontinues the supply of gas to a person under this clause must cause written notice of the reasons for the refusal or discontinuance of supply to be given:
 - (a) to the person and any relevant supplier, and
 - (b) in the case of a discontinuance of supply of gas to premises, to the Director-General.

24 Reporting of accidents

- (1) A network operator must notify the Director-General of any accident that occurs in connection with its distribution system if the accident:
 - (a) involves the escape or explosion of gas, and
 - (b) results in death, serious personal injury or substantial property damage.
- (2) The notice:
 - (a) must be given by telephone, facsimile or other means as soon as practicable after the time when network operator became aware of the accident, and
 - (b) must be given in writing within 14 days after that time.
- (3) The notice must indicate the nature of the accident and give details of any deaths, injuries or property damage.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

25 Delegations

The Director-General may delegate to any person the exercise of all or any of the Director-

General's functions under this Regulation or any other regulation under the Act.

26 Definition of "tariff customer": Dictionary

Any person who is supplied with natural gas, at a rate of less than 10 terajoules per year, by means of an authorised reticulator's distribution system is declared to be a tariff customer for the purposes of the definition of **tariff customer** in the Dictionary to the Act.

Part 6 Natural gas standards

27 Definitions

In this Part:

compliant natural gas means natural gas that complies with the standards set out in Schedule 1.

non-compliant natural gas means natural gas that is not compliant natural gas.

reticulator means an authorised reticulator.

safety and operating plan, in relation to a reticulator, means a safety and operating plan lodged with the Director-General, and as amended from time to time, in accordance with the *Gas Supply (Safety and Operating Plans) Regulation 1997*.

supplier means an authorised supplier.

testing agency means a reticulator or other person who tests natural gas for the purpose of compliance by the reticulator with clause 31.

28 Natural gas in pipelines to comply with standards

- (1) A reticulator must not convey non-compliant natural gas through a distribution pipeline.
- (2) A supplier must not supply non-compliant natural gas to an end user customer through a distribution pipeline.
- (3) A person must not inject non-compliant natural gas, or cause such gas to be injected, into a distribution pipeline.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

29 Exception from natural gas standards in special cases

(1) A reticulator does not commit an offence under clause 28 (1) by conveying noncompliant natural gas through a distribution pipeline if the gas is conveyed in accordance with this clause.

- (2) Non-compliant natural gas is conveyed by a reticulator in accordance with this clause if:
 - (a) the reticulator reasonably believes that the conveyance of the gas is necessary to ensure the safety of the public or the security of the reticulator's pipeline, or
 - (b) the reticulator reasonably believes that the gas that is, or is to be, delivered to the end user customer is compliant natural gas.
- (3) A reticulator conveying non-compliant natural gas in accordance with this clause must notify the Director-General:
 - (a) by telephone, facsimile or email as soon as practicable after the time when the non-compliant natural gas began to be conveyed in the reticulator's pipeline, and
 - (b) in writing within 14 days after that time.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

30 Reticulator may obtain information and documents regarding natural gas standards

- (1) If a reticulator has reason to believe that a person has information or a document that may assist the reticulator in determining whether natural gas being injected into, or conveyed through, the reticulator's distribution pipeline is compliant natural gas, the reticulator may by notice in writing served on the person require the person to give the reticulator the information or a copy of the document.
- (2) The notice must:
 - (a) identify the information or document, and
 - (b) specify:
 - (i) a reasonable time by which the requirement must be complied with, and
 - (ii) the form in which the information or copy of the document is to be given to the reticulator, and
 - (c) state that the requirement is made under this clause, and
 - (d) include a copy of this clause.
- (3) A person must not, without lawful excuse, fail to comply with any requirement made by a notice under this clause.
- (4) A person must not, in purported compliance with a requirement made under this clause, give a reticulator information that the person knows is false or misleading.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in

any other case).

31 Testing of natural gas

(1) A reticulator must not convey natural gas through a distribution pipeline unless the reticulator has tested the gas, or caused the gas to be tested, in accordance with the reticulator's safety and operating plan, to ascertain whether the gas is compliant natural gas.

Note-

If the reticulator does not itself test the gas, the person actually testing the gas is referred to in this Part as the **testing agency**. See clause 27.

- (2) A testing agency must keep a register containing copies of all test results at the agency's main office.
- (3) If a test has been made to determine a derived value (such as a Wobbe index value), the test results required to be kept in the register include the raw measurements used to determine that derived value.
- (4) The testing agency must ensure that the register of test results is open for public inspection at all business hours, and copies of or extracts from the register are to be made available:
 - (a) to the Director-General—on request and at no cost, and
 - (b) to any other person—on request and on payment of a reasonable fee fixed by the testing agency.
- (5) A testing agency must maintain all testing equipment used to test natural gas, or cause that testing equipment to be maintained, in accordance with the reticulator's safety and operating plan.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

32 Testing agencies and suppliers to report non-compliant natural gas

- (1) A testing agency must notify the Director-General without delay if the testing agency becomes aware of any test result that shows that natural gas in a reticulator's distribution pipeline is non-compliant.
- (2) A supplier who knows or becomes aware that any non-compliant natural gas is being, or is to be, conveyed through a reticulator's distribution must notify the Director-General without delay.
- (3) Notice under this clause may be given by telephone, facsimile or email.
- (4) A testing agency or supplier who gives notice of any matter under this clause by

- telephone must, within 7 days after doing so, send written notice of that matter to the Director-General.
- (5) A testing agency or supplier must not send to the Director-General a copy of, or notice of, any test result that the testing agency or supplier knows, or ought to know, is false or misleading.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

33 Director-General may obtain information regarding non-compliant natural gas

- (1) If the Director-General believes that non-compliant natural gas is being, or is to be, injected into or conveyed through a reticulator's distribution pipeline, the Director-General may by notice in writing served on any person require that person to give the Director-General such information regarding the injection or conveyance of the non-compliant natural gas as the Director-General specifies.
- (2) The notice must:
 - (a) specify:
 - (i) a reasonable time by which the requirement must be complied with, and
 - (ii) the form in which the information is to be given to the Director-General, and
 - (b) state that the requirement is made under this clause.
- (3) A person must not, in purported compliance with a requirement made by a notice under this clause, give the Director-General information that the person knows, or ought to know, is false or misleading.
- (4) A person must comply with any requirement made by a notice issued by the Director-General under this clause.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

34 Director-General may issue directions and take other measures regarding noncompliant natural gas

- (1) If the Director-General believes that non-compliant natural gas is being, or is to be, injected into or conveyed through a reticulator's distribution pipeline, the Director-General may issue directions to a reticulator or supplier regarding the injection or conveyance of the non-compliant natural gas.
- (2) Without limiting subclause (1), the directions issued by the Director-General in accordance with this clause may require a reticulator or supplier to notify end user customers who may be supplied with the non-compliant natural gas that such gas is

being, or is to be, injected into or conveyed through the distribution pipeline concerned.

(3) A person must comply with any direction issued by the Director-General under this clause.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

35 Natural gas must have odour

A reticulator must ensure that natural gas being conveyed, or to be conveyed, through the reticulator's distribution pipeline has a distinctive and unpleasant odour that is discernable at a level specified in the reticulator's safety and operating plan.

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

36 Exemptions

- (1) The Director-General may exempt a reticulator from any or all of the requirements of this Part.
- (2) If the Director-General grants an exemption to a reticulator under this clause, the Director-General may issue directions to the reticulator regarding the conveyance of natural gas through the reticulator's distribution pipeline.
- (3) A person must comply with any direction issued by the Director-General under subclause (2).

Maximum penalty: 100 penalty units (in the case of a corporation) and 25 penalty units (in any other case).

Schedule 1 Natural gas standards

(Clause 27)

1. Natural gas is to comply with the following specification limits:

Specification		Limit
Wobbe Index	minimum	46.0MJ/m ³
	maximum	52.0 MJ/m ³
Oxygen	maximum	0.2 mol %
Hydrogen sulphide	maximum	5.7 mg/m ³
Total sulphur	maximum	50.0 mg/m ³

Water content

Dew point 0°C at maximum transmission

maximum pressure

(In any case, no more than 112.0 mg/m³)

Hydrocarbon dew point maximum 2.0°C 3500 kPa

Total inert gases maximum 7.0 mol %

2. The standard testing conditions for all the gas properties listed above are:

Temperature: 15°C

Absolute pressure: 101.325 kPa

With the natural gas dry (that is, completely free from water vapour).