



# Victoria Government Gazette

No. S 69 Tuesday 25 February 2025  
By Authority of Victorian Government Printer

## Gas Industry Act 2001

### GAS EMBEDDED NETWORKS GENERAL EXEMPTION ORDER 2025

#### Order in Council

The Governor in Council under section 24(1)(a) of the **Gas Industry Act 2001** makes the following Order:

#### PART 1 PRELIMINARY

##### 1. Objectives

The objective of this Order is to exempt persons from the requirement to obtain a licence under section 22(1)(a) of the Act in respect of providing services (other than the sale of gas by retail) by means of a distribution pipeline to customers within an embedded network, subject to the terms and conditions specified in the Order.

##### 2. Commencement

- (1) Subject to sub-clause (2), this Order comes into operation the day it is published in the Government Gazette.
- (2) Clauses 5, 7 and 8 come into operation 90 days after this Order is published in the Government Gazette.

##### 3. Definitions

In this Order, unless the context otherwise requires:

**abolishment** means the permanent removal of a connection to prevent the withdrawal of gas at a child connection point by:

- (a) the use of locks or plugs at a metering installation for a child connection point; or
- (b) removal of a meter at a metering installation for a child connection point;

**access arrangement** has the same meaning as in the National Gas (Victoria) Law;

**access arrangement period** has the same meaning as in the National Gas Rules;

**Act** means the **Gas Industry Act 2001**;

**business day** means a day other than a Saturday, Sunday or a public holiday in Victoria;

**Category 1 exempt distributor** means a person to whom an exemption under Part 2 applies and provides services by means of a distribution pipeline within the relevant embedded network to each customer through a child connection point that has a child or orphan metering installation;

**Category 2 exempt distributor** means a person to whom an exemption under Part 2 applies and provides services by means of a distribution pipeline within the relevant embedded network to the customer through a child connection point that does not have a metering installation;

**child connection point** means the connection point at which gas is withdrawn from the embedded network and delivered to the customer, and if metered, has a child or orphan metering installation;

**child metering installation** means the metering installation at a child connection point, and includes orphan metering installation;

**Code of Practice** means the Gas Distribution Code of Practice, either made by the Commission, or taken to have been made, under Part 6 of the **Essential Services Commission Act 2001**, as published or amended by the Commission from time to time;

**connection point** has the same meaning as in Rule 200 of the National Gas Rules;

**corrector** has the same meaning as in the Code of Practice;

**SPECIAL**

**customer** means a person to whom an exempt distributor provides, or will provide, services, by means of a distribution pipeline, in an embedded network;

**data logger** has the same meaning as in the Code of Practice;

**declared distribution system** means a distribution pipeline, or a part of a distribution pipeline, declared by Order under section 39(a) of the **National Gas (Victoria) Act 2008** to be a declared distribution system;

**embedded network** means a distribution pipeline or system of distribution pipelines that is –

- (a) connected to a parent connection point of a declared distribution system; or
- (b) connected to the facilities of the local gas distribution company; and
- (c) owned, controlled or operated by a person who is not licensed under section 26(1) of the Act as a gas distribution company;

**exempt distributor** means a person to whom an exemption under Part 2 applies;

**GJ** means gigajoule;

**large customer** means a customer who is not a small customer;

**local gas distribution company** means the gas distribution company that supplies gas to the embedded network;

**meter** has the same meaning as in the Code of Practice;

**metering installation** means the meter and associated equipment and installations, which may include correctors, regulators, filters, data loggers and telemetry relating to a parent or child connection point;

**Minister** means the Minister responsible for administering the Act;

**National Gas (Victoria) Law** has the same meaning as in the **National Gas (Victoria) Act 2008**;

**National Gas Rules** has the same meaning as in the National Gas (Victoria) Law;

**orphan metering installation** means a child metering installation, notwithstanding if there is a unique numerical private identifier assigned, which is not discoverable in accordance with the Retail Market Procedures made by the Australian Energy Market Operator (ACN 072 010 327) under the National Gas (Victoria) Law;

**parent connection point** means a connection point at which gas is withdrawn from the facilities of a local gas distribution company or the declared distribution system and delivered to an embedded network, and includes associated metering installation;

**property** means a parcel of land, including any land that is subdivided under the **Subdivision Act 1988**, and includes –

- (a) a part of a parcel of land; and
- (b) two or more parcels of land with common boundaries that are constituted, owned or occupied as one multiple occupancy property;

**small customer** means –

- (a) a person who purchases, or intends to purchase, gas principally for personal, household, or domestic use at the relevant child connection point; or
- (b) a person whose aggregate consumption of gas taken, or will be taken, from the relevant child connection point has not been, or, in the case of a new supply point, is not likely to be, more than 1000 GJ per year.

## PART 2 DISTRIBUTION EXEMPTION

### 4. Exemption of distributors

- (1) For the purposes of section 22(1)(b) of the Act, a person is exempt from the requirement to obtain a licence authorising the person to provide services by means of a distribution pipeline if:
  - (a) the person is not a gas distribution company; and
  - (b) the person provides services by means of a distribution pipeline only within an embedded network; and

- (c) the embedded network is used solely for the conveyance of gas for consumption within the property on which the embedded network is located; and
  - (d) the embedded network was in operation immediately prior to the commencement of this Order.
- (2) A person exempt under this Part is subject to the following conditions of exemption:
- (a) A Category 1 exempt distributor must comply with Division 1 and Division 2 of Part 3 of this Order.
  - (b) A Category 2 exempt distributor must comply with Division 1 and Division 3 of Part 3 of this Order.
  - (c) If an exempt distributor is both a Category 1 and Category 2 exempt distributor, the exempt distributor must comply with Division 1 and Division 2 of Part 3 of this Order.

## **PART 3 CONDITIONS OF EXEMPTION**

### **DIVISION 1 General**

#### **5. Compliance with the Code of Practice**

- (1) It is a condition of an exemption under this Order that an exempt distributor must comply with the clauses of the Code of Practice that are specified in the Code of Practice as applicable to the exempt distributor.
- (2) If the Code of Practice does not specify which clauses are applicable to an exempt distributor, the exempt distributor must comply with the clauses of the Code of Practice listed in Schedule 1 of this Order.

**Note:** As at the commencement of this Order, the Code of Practice does not specify which clauses of the Code of Practice are applicable to an exempt distributor.

#### **6. Abolishment – Parent Connection Points**

- (1) If the local gas distribution company charges an exempt distributor a fee for abolishing the exempt distributor's parent connection point, the exempt distributor cannot recover more than the fee charged by the local gas distribution company from the exempt distributor's customers serviced by the abolished parent connection point.
- (2) For the purposes of sub-clause (1), the maximum an exempt distributor can recover from their customers is the pro-rata amount, having regard to the total number of customers in the exempt distributor's embedded network serviced by the abolished parent connection point.
- (3) For the purposes of this clause, **abolishment** has the same meaning as in the Code of Practice.

#### **7. Provision of information to customers**

- (1) In addition to any provision of information requirements in the Code of Practice applicable to an exempt distributor, the exempt distributor must ensure that within 10 business days of a customer taking supply from the exempt distributor, the following information is provided to the customer:
  - (a) that the customer will not receive the same consumer protections as customers of licensed gas distributors as a result of being a customer of an exempt distributor;
  - (b) details of their rights in relation to dispute resolution including:
    - (i) the contact details of the exempt distributor as the initial point of contact for disputes;
    - (ii) the exempt distributor's procedures for handling disputes and complaints;
    - (iii) the right that the customer has to access a customer dispute resolution scheme;
    - (iv) the contact details for the customer dispute resolution scheme;

- (c) details of who the local gas distribution company is;
  - (d) the contact details of the relevant exempt distributor, and relevant emergency services to be used in the event of a fault or emergency;
  - (e) details of how centralised hot water service charges and/or unmetered gas charges are calculated and charged to the customer; and
  - (f) any other ongoing service fees or charges attributable to the supply of the gas payable by the customer.
- (2) If an exempt distributor has a website, the exempt distributor must ensure that the information in subclause (1) is published and accessible to its customers online on its website.
  - (3) If any of the information referred to in subclauses (1)(b) or (1)(d) to (f) is changed:
    - (a) an exempt distributor must provide its customers with a notice of the updated information that outlines the changes; and
    - (b) if an exempt distributor has a website, the exempt distributor must ensure the changes are published and accessible to its customers online on its website.
  - (4) If a customer requests information referred to in subclause (1), an exempt distributor must provide the information to the customer within 10 business days of the request being made.
  - (5) Any information that is provided to a customer under this clause must:
    - (a) be expressed in clear, simple and concise language; and
    - (b) be in a format that makes it easy for the customer to understand and access; and
    - (c) be provided electronically and in hard copy, unless the customer consents in writing to electronic provision only; and
    - (d) be provided at no cost to the customer.

## 8. Customer dispute resolution

An exempt distributor must enter into a customer dispute resolution scheme with the Energy and Water Ombudsman (Victoria) Ltd (ABN 57 070 516 175).

## DIVISION 2 Category 1 exempt distributor obligations

### 9. Abolishment – Child connection points

- (1) A Category 1 exempt distributor must abolish a customer's child connection point to the embedded network:
  - (a) at the written direction of a gas retailer;
  - (b) upon request by a customer; or
  - (c) where the Category 1 exempt distributor is directed to do so under the **Gas Safety Act 1997**.
- (2) Where a gas retailer directs a Category 1 exempt distributor to abolish a customer's child connection point, or a customer requests a Category 1 exempt distributor to abolish the customer's child connection point pursuant to sub-clause (1), the Category 1 exempt distributor must use its best endeavors to abolish the customer's child connection point within 20 business days of receiving the direction or request to do so.
- (3) A Category 1 exempt distributor must not charge a customer fees for abolishment of a child connection point higher than the applicable charge for those services charged by the local gas distribution company.
- (4) For the purposes of this clause, the applicable charge in sub-clause (3) is the tariff, at the time of the abolishment, for relevant ancillary reference services under the access arrangement of the local gas distribution company approved by the Australian Energy Regulator for the relevant access arrangement period, subject to any variation of the tariff permitted by the National Gas Rules.

**10. Provision of information to Minister or Commission**

- (1) A Category 1 exempt distributor must provide:
  - (a) to the Minister any information or documents requested by the Minister; or
  - (b) to the Commission any information or documents requested by the Commission, that the Minister or the Commission (as the case requires) requests for the administration of this Order.
- (2) Without limiting subclause (1), on or before 30 June each year, a Category 1 exempt distributor must provide a report to the Commission, in the form and manner required by the Commission, containing the following information:
  - (a) the location of the parent connection point and type of metering installation through which the amount of gas distributed by the local gas distribution company into the embedded network is measured;
  - (b) details of the amount of gas supplied to the embedded network from the local gas distribution company in the previous calendar year;
  - (c) details of the number of small customers and large customers connected to the embedded network and to whom the Category 1 exempt distributor was supplying gas in the previous calendar year;
  - (d) details of the total number of meters and types of meters at child connection points in the embedded network in the previous calendar year;
  - (e) details of the total number of child connection point abolishments completed by the Category 1 exempt distributor in the previous calendar year; and
  - (f) details of whether the embedded network has any check meters connected to it, and if so, the number of check meters used in the previous calendar year.
- (3) Any information or documents requested under subclause (1) must be provided within the timeframe specified by the Minister or the Commission (as the case requires).

**DIVISION 3 Category 2 exempt distributor obligations****11. Provision of information to Minister or Commission**

- (1) A Category 2 exempt distributor must provide:
  - (a) to the Minister any information or documents requested by the Minister; or
  - (b) to the Commission any information or documents requested by the Commission, that the Minister or the Commission (as the case requires) requests for the administration of this Order.
- (2) Without limiting subclause (1), on or before 30 June each year, a Category 2 exempt distributor must provide a report to the Commission, in the form and manner required by the Commission, containing the following information:
  - (a) the location of the parent connection point and type of metering installation through which the amount of gas distributed by the local gas distribution company into the embedded network is measured;
  - (b) details of the amount of gas supplied to the embedded network from the local gas distribution company in the previous calendar year;
  - (c) details of the number of small customers and large customers connected to the embedded network and to whom the Category 2 exempt distributor was supplying gas in the previous calendar year;
  - (d) details of whether the embedded network has any check meters connected to it, and if so, the number of check meters used in the previous calendar year.
- (3) Any information or documents requested under subclause (1) must be provided within the timeframe specified by the Minister or the Commission (as the case requires).

**PART 4 MISCELLANEOUS**

**12. Transitional provision – provision of information to existing customers**

- (1) An exempt distributor is taken to have complied with clause 7 in relation to the exempt distributor's existing customers provided that the exempt distributor, within 10 business days of the commencement of this Order, provides the information set out in subclauses 7(1)(a) to (f) to every existing customer of the exempt distributor in the manner prescribed by subclause 7(5).
- (2) In this clause, **existing customer** means any person who, on the day this Order commences, is a customer of an exempt distributor.

**13. Expiry**

This Order remains in force until 30 June 2031, unless revoked earlier.

**SCHEDULE 1****Applicable clauses of the Code of Practice for this Order:**

<b>Obligation type</b>	<b>Clause number</b>
Operation of a distribution system	3.1.
Connections and augmentation	4.1.1; 4.1.2; 4.1.3; 4.1.4; 4.1.5; 4.1.6; 4.2.1; 4.2.2; 4.2.3; 4.2.4; 4.3.1; 4.3.2.
Interruption	5.1, 5.2, 5.3, 5.4, 5.5, 5.6.
Disconnection	6.1.1; 6.1.2; 6.1.3; 6.1.4; 6.1.5.
Reconnection	6.3.1; 6.3.2; 6.3.3.
Provision of information on disconnection and abolishment	6.4.1, 6.4.4, 6.4.5.
Life support	7.3(a)–(c); 7.5; 7.6; 7.7.1; 7.8.1; 7.8.2(b); 7.9; 7.10.1; 7.10.2; 7.11(a)–(e), (g); 7.13.
Non-compliance by distributors and customers	9.1.1; 9.1.2; 9.2.
Customer complaint handling	10.1.1; 10.1.2; 10.1.3; 10.1.4.
Other matters	13.1; 13.2; 13.3.

(1) For the purposes of clause 5 and this Schedule 1:

- (a) A reference to distributor in the Code of Practice is to be taken to be a reference to an exempt distributor.
- (b) A reference to a distribution pipeline, distribution system, or shared distribution system in the Code of Practice is taken to be a reference to the embedded network.
- (c) A reference to a distribution delivery point, transfer point or receipt point in the Code of Practice is taken to be a reference to a child connection point.
- (d) A reference to a metering installation in the Code of Practice is taken to be a reference to a metering installation as defined in this Order.
- (e) For the avoidance of doubt, clauses 6.4.1, 6.4.4 and 6.4.5 of the Code of Practice apply to an exempt distributor in respect of abolishments of child connection points in their embedded network, and are in addition to the requirements in clause 9 of this Order.

Dated 25 February 2025

THE HON LILY D'AMBROSIO MP  
Minister for Energy and Resources

ANGELA SMITH  
Clerk of the Executive Council

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