APA

Australia's energy infrastructure partner

Proposed changes to the Gas Access Funding Regulations and Local Provisions Regulations

APA Submission

25 November 2026



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Dear Mr Thomas,

Thank you for the opportunity to comment on the Department of Energy and Economic Diversification's (DEED) proposed changes to the Gas Access Funding Regulations and Local Provisions Regulations.

APA is an Australian Securities Exchange (ASX) listed owner, operator, and developer of energy infrastructure assets across Australia. As well as an extensive network of natural gas pipelines, we own or have interests in gas storage and generation facilities, electricity transmission networks, renewable generation infrastructure and battery storage.

APA welcomes the opportunity to provide its views on how the costs of the Economic Regulation Authority's (ERA) regulatory functions should be allocated and recovered. APA does not support the adoption of the Gas Pipelines Package in Western Australia and this submission on the appropriate recovery of ERA costs should not be interpreted as support for that package.

To support regulatory independence, our preference is for the regulator to be funded through consolidated revenue rather than industry fees and charges. We note that the Australian Energy Regulator is currently funded through Commonwealth appropriations rather than through direct industry standing charges. However, given Western Australian policy is for the regulator to be funded through industry fees and charges, APA supports the recovery of efficient costs associated with the ERA's regulatory functions.

As far as practicable, pipeline-specific regulatory costs should be allocated to the pipeline that gives rise to them. Pipeline characteristics such as length, capacity, revenue or ownership should not determine the allocation where those characteristics do not materially affect the cost of undertaking the regulatory function. However, if costs are allocated equally, the allocation methodology should be transparent and not result in inappropriate cross-subsidisation between pipelines. APA considers that the same principles should apply to Part 18A facilities, with facility-specific regulatory costs allocated to the facility that gives rise to them.

The Government should also consider a framework that gives industry visibility of its administrative costs and ensures accountability for those costs. This framework could provide scrutiny comparable to that applied to the Australian Energy Market Operator's cost recovery.

If you wish to discuss our submission in further detail, please contact Lizzie O'Brien at [redacted]

Regards,

[redacted]

Natalie Lindsay
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Legal, Governance and Regulatory