

IN THE WESTERN AUSTRALIAN GAS REVIEW BOARD

Re: an application for a review of the decision by the Western Australian Independent Gas Pipelines Access Regulator made on 15 December 2005 to approve its own Revised Access Arrangement for the Dampier to Bunbury Natural Gas Pipeline owned and operated by the Applicants.

Appeal No. 2 of 2005

B E T W E E N

DBNGP (WA) Transmission Pty Ltd (ACN 081 609 190) and DBNGP (WA) Nominees Pty Ltd (ACN 081 609 289)

Applicant

and

North West Shelf Gas Pty Ltd

Intervenor

APPLICATION FOR LEAVE TO BE HEARD

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North West Shelf Gas Pty Ltd (Intervenor) claims the right to be heard by the Gas Review Board in this appeal.

Interests affected

1 Intervenor acts as sales and marketing agent for the North West Shelf Domestic Gas Joint Venture comprising Woodside Energy Limited, BHP

Petroleum (North West Shelf) Pty Ltd, BP Developments Australia Pty Ltd, Chevron Australia Pty Ltd and Shell Development (Australia) Pty Ltd (NWSJV) and appears to represent NWSJV.

- 2 NWSJV carries on business as an unincorporated joint venture for the purpose of producing gas for sale in Western Australia.
- 3 NWSJV is the largest supplier of gas for domestic consumption in Western Australia, and is presently the largest supplier of gas for transportation by the DBNGP. NWSJV anticipates that over the foreseeable future NWSJV will continue to be the largest supplier of gas for carriage by the DBNGP.
- 4 The participants in the NWSJV, in conjunction with other joint venture participants, currently control substantial additional reserves and resources of gas capable of exploitation provided that appropriate purchase and transportation arrangements can be reached for the extraction, transportation and disposition of that gas on an economically viable basis. The economically efficient exploitation of some proportion of those reserves and resources is dependent upon:
 - (a) the gas specification mandated for the transportation of gas on the DBNGP under a relevant access arrangement; and
 - (b) the ability to part haul or back haul gas over the DBNGP for off-take at intermediate points.
- 5 NWSJV will suffer serious commercial, financial and operational disadvantages if the ERA's determination as to the gas specification is not maintained in both the short and long terms. Those losses have been estimated in confidential submissions to the ERA dated 14 March 2005. Those losses arise out of:
 - (a) inefficiencies in the exploitation of reserves and resources;
 - (b) the terms of sales contracts;

- (c) the terms of gas transportation contracts;
- (d) additional capital and operating costs required to meet a narrower gas specification; and
- (e) additional tariff costs for non “full haul” transportation.

A determination of the appeal in favour of the Applicant’s will be contrary to the commercial and financial interests of NWSJV.

Right to make submissions

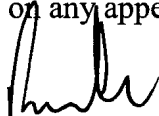
6 The Applicants seek review pursuant to section 39 of schedule 1 to the Gas Pipelines Access (Western Australia) Act 1998 and section 2.48 of the National Third Party Access Code for Natural Gas Pipelines Systems (as set out in schedule 2 of that act).

7 Pursuant to section 39(1) of the Act, the following persons may apply to an appeals body for a review of the decision:

- (a) the Applicants (as service provider); and
- (b) a person who made a submission to the ERA with respect to the access arrangement or revisions submitted by the service provider or drafted by the ERA and its interests are adversely affected by the decision.

8 NWSG on behalf of NWSJV is a person who will be entitled to appeal against a determination of the regulator if its interests were adversely affected.

9 By parity of reasoning, NWSG is a person who should be entitled to be heard on any appeal, the determination of which will be adverse to its interests.



Freehills
Solicitors for NWSG