

8 October 2010

Mr Lyndon Rowe  
Chairman  
Economic Regulation Authority  
Level 6 Governor Stirling Tower  
197 St Georges Terrace  
PERTH WA 6000

Dear Mr Rowe

**WA Gas Networks Pty Ltd: Response to the access arrangement draft decision issued by the Economic Regulation Authority on 17 August 2010 in relation to the Mid-West and South West Gas Distribution Systems**

WA Gas Networks Pty Ltd (**WAGN**) owns the Mid-West and South-West Gas Distribution System (**GDS**) and is the covered pipeline service provider (as that term is defined in the *National Gas Access (WA) Act 2009*) for the GDS.

On 17 August 2010, the Economic Regulation Authority (**ERA**) issued an access arrangement draft decision (**Draft Decision**) not to approve WAGN's access arrangement variation proposal for the GDS that was submitted to the ERA on 29 January 2010.

The Draft Decision set out 74 "Required Amendments" which must be made in order to make the access arrangement variation proposal acceptable to the ERA. In addition, the Draft Decision required, at various places, that WAGN make other changes to the access arrangement variation proposal, and provide additional information on a number of matters. The Draft Decision also set a period within which WAGN was to respond to the Draft Decision (the revision period referred to in National Gas Rule 59(3)). The ERA set a revision period of 4:00 pm (WST) on Friday, 1 October 2010. On 1 October 2010 WAGN requested and obtained an extension of one week to the revision period such that it was required to submit its response to the Draft Decision by 4:00 pm (WST) on Friday, 8 October 2010.

At the request of the ERA WAGN submitted an advance draft of its Amended Template Haulage Contract and some of its supporting submissions on 1 October 2010. WAGN has corrected some minor typographical errors in the advance draft of the Amended Template Haulage Contract and also amended the text in clause 16.1(b)(ii) such that the form of clause 16.1(b)(ii) better reflects the submissions of WAGN in relation to the ERA's Required Amendment 50. The typographical errors are marked up. Clause

16.1(b)(ii) is also shown in mark up but does not show all of the amendments from the advance draft that was provided on 1 October 2010. The advance draft of the supporting submissions that were provided has not been amended.

Please find attached to this letter, WAGN's response to the Draft Decision in accordance with National Gas Rule 60. This response takes the form of the following documents:

- Amended Access Arrangement, including an Amended Template Haulage Contract both dated 8 October 2010;
- Amended Access Arrangement Information dated 8 October 2010;
- Supporting submissions to the Amended Access Arrangement and the Amended Template Haulage Contract dated 8 October 2010; and
- A spreadsheet model (electronic copy only) setting out the calculation of amended reference tariffs dated 8 October 2010.

If we can be of further assistance, please contact either myself on 6218 1721 or Deborah Evans on 6218 1722.

Yours sincerely,

**JUSTIN SCOTCHBROOK**  
**SENIOR MANAGER COMMERCIAL & BUSINESS DEVELOPMENT**