



Economic Regulation Authority

Promoting fair prices, quality services and choice

INFORMATION

Dampier to Bunbury Natural Gas Pipeline

ANNUAL REFERENCE TARIFF VARIATION 2012

The Economic Regulation Authority has today published a variation to the reference tariffs for the Dampier to Bunbury Natural Gas Pipeline (**DBNGP**) to apply from 23 January to 31 December 2012.

DBNGP (WA) Transmission Pty Limited (**DBP**) notified the Authority of the variation to the reference tariffs on 6 February 2012.

DBP's notice advised that the reference tariffs set out in 3.3(c), 3.4(c) and 3.5(c) of the access arrangement which came into effect on 1 January 2012 will be varied in 2012 in line with the Consumer Price Index (**CPI**) formula variation set out in clause 11.2(c).

Pursuant to rule 92 of the National Gas Rules, a full access arrangement must include a reference tariff variation mechanism. However, if there is an interval of delay such as an access arrangement review, the reference tariffs in force at the end of the previous access arrangement period continue without variation for the interval of delay. This was the case for the DBNGP access arrangement in 2011, which meant that there was no reference tariff increase in 2011.

The variation in reference tariffs to apply from 23 January 2012 amounts to a six per cent increase from the nominal 2010 reference tariffs.

The commencement date of the tariff variation is in accordance with Clause 11.2(e) of the access arrangement which requires that within 10 Business Days of effecting the CPI formula variation, the operator must provide the Authority with a written notice advising of this fact and include the application of the mechanism and the resultant varied reference tariff.

The reference tariffs for part haul (**P1**) and back haul (**B1**) services are distance based and determined as a proportion of the reference tariff for the full haul (**T1**) service.

The variations in reference tariffs as notified by DBP are shown in the table below.

DBNGP REFERENCE TARIFFS EFFECTIVE ON AND FROM 23 JANUARY 2012

T1 Reference Tariff adjustment		
CPI _b = CPI for quarter ending 30 September 2009		168.6
CPI _n = CPI for quarter ending 30 September 2011		179.4
T1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff	\$/GJ	1.087228
Tariff _n = adjusted T1 Capacity Reservation Tariff	\$/GJ	1.156872
T1 Commodity Tariff		
Tariff _b = Commodity Tariff	\$/GJ	0.092402
Tariff _n = adjusted T1 Capacity Reservation Tariff	\$/GJ	0.098321

P1 Reference Tariff adjustment		
CPI _b = CPI for quarter ending 30 September 2009		168.6
CPI _n = CPI for quarter ending 30 September 2011		179.4
P1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff (GJ MDQ*km)	\$/GJ	0.000777
Tariff _n = adjusted P1 Capacity Reservation Tariff (GJ MDQ*km)	\$/GJ	0.000827
P1 Commodity Tariff		
Tariff _b = Commodity Tariff (GJ*km)	\$/GJ	0.000066
Tariff _n = adjusted P1 Capacity Reservation Tariff (GJ*km)	\$/GJ	0.000070

B1 Reference Tariff adjustment		
CPI _b = CPI for quarter ending 30 September 2009		168.6
CPI _n = CPI for quarter ending 30 September 2011		179.4
B1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff (GJ MDQ*km)	\$/GJ	0.000777
Tariff _n = adjusted B1 Capacity Reservation Tariff (GJ MDQ*km)	\$/GJ	0.000827
B1 Commodity Tariff		
Tariff _b = Commodity Tariff (GJ*km)	\$/GJ	0.000066
Tariff _n = adjusted B1 Capacity Reservation Tariff (GJ*km)	\$/GJ	0.000070

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