

MEPLET0178

02 November 2020

Mr Tyson Self  
Assistant Director of Gas  
Economic Regulation Authority  
Level 4, Albert Facey House  
469 Wellington Street  
Perth WA 6000

**By online submission**

Dear Mr Self

**Submission in support of the proposed Ullage Service by DBP**

Mitsui E&P Australia Pty Ltd (MEPAU), as a 50% joint venture participant in and the operator of the Waitsia Joint Venture (WJV) through AWE Perth Pty Ltd (a related Mitsui & Co., Ltd subsidiary), would like to express its support for DBP's revised proposal to the ERA (published on the ERA website on 08 October 2020) that the proposed pipeline service to deliver gas from the Perth Basin to the Karratha Gas Plant (Ullage Service) be treated as a non-reference rebateable service for the duration of the Ullage Service.

MEPAU considers the proposed Ullage Service should not be a reference service for the following reasons:

- the opportunity for WJV to backfill the Karratha Gas Plant is limited to a specified, government approved period and volume;
- the proposed Ullage Service contains elements that are unique to the WJV and reflects the specific requirements of the WJV (as the Shipper) and the Karratha Gas Plant (as the end user);
- the WJV has been requested to fund certain capital works (as shipper-funded works) to enable the Ullage Service to be performed and those works are specific to the unique nature of the Ullage Service; and
- MEPAU believes it is in the interests of all shippers on the DBNGP that the proposed Ullage Service proceeds as it promotes the efficient operation and use of the DBNGP, increases the security of supply of natural gas and will benefit Shippers by lowering the Reference Tariffs.

The provision of the Ullage Service underpins the Waitsia Gas Project Stage 2. Please let me know if you require a meeting or further information to facilitate and expedite the ERA's decision on the treatment of the Ullage Service, which we hope to receive prior to the commencement of Access Arrangement for period 2021-2025 on 1 January 2021.

Yours sincerely



Moto Desaki

Managing Director and Chief Executive Officer