

Energy in Western Australia 2001



Reflections in Gas Access Regulation in Western Australia

Dr Ken Michael AM

Independent Gas Pipelines Access Regulator



Introduction



This paper:

- Overview of regulatory activities in Western Australia
- General comment on the regulatory regime



Approach to Regulation



Approach to regulation:

- Gas Pipelines Access (Western Australia) Act 1998
- Gas Pipelines Access Law, including the National Third Party Access Code for Natural Gas Pipeline Systems
- Customised application in Western Australia of a national access regime



Achievements



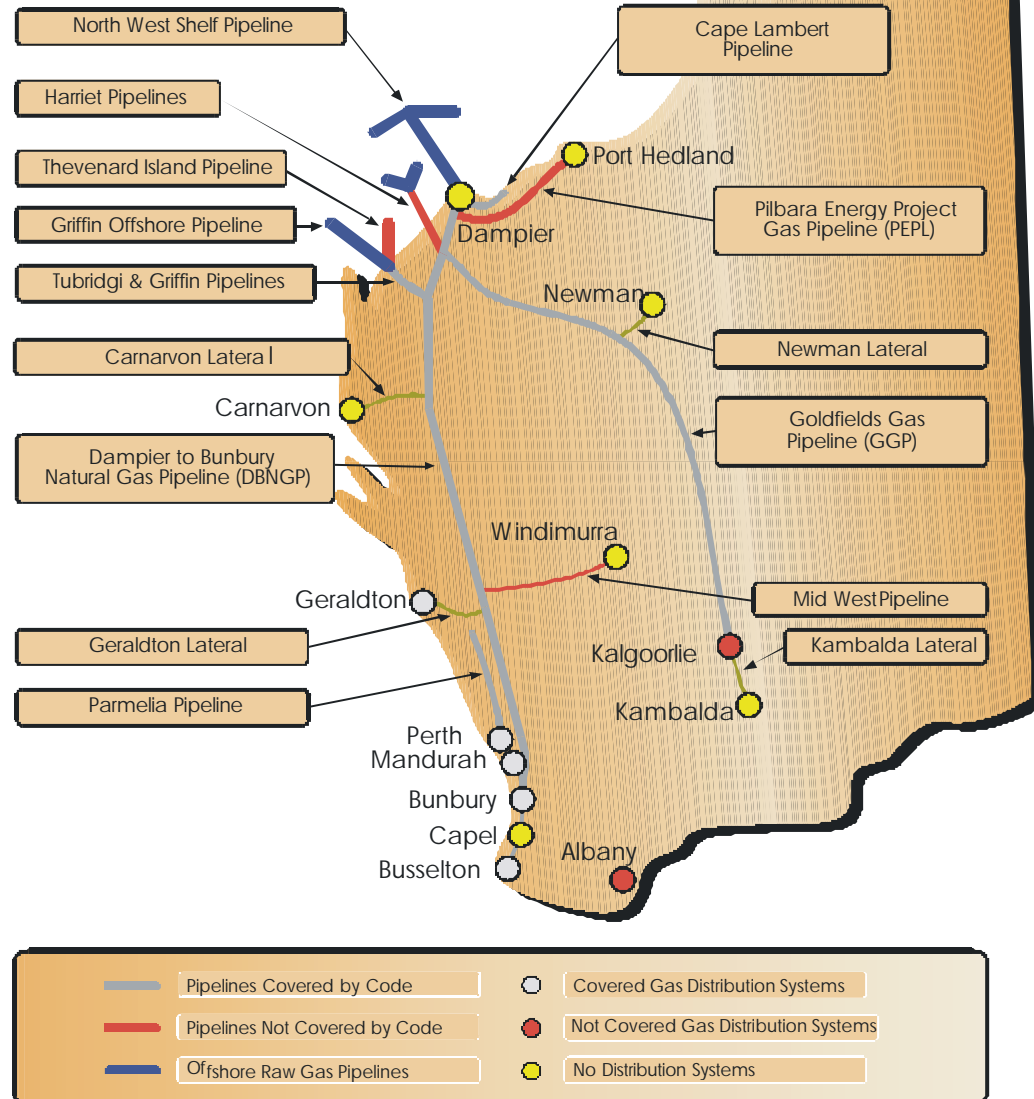
Progress with access arrangements for covered pipelines

- the Mid-West and South-West Distribution Systems
- the Dampier to Bunbury Natural Gas Pipeline
- the Goldfields Gas Pipeline
- the Kalgoorlie to Kambalda Pipeline
- the Parmelia Pipeline
- the Tubridgi Pipeline System



NATURAL GAS PIPELINES

Western Australia



Achievements (cont.)



Issues for individual pipelines

- Kalgoorlie-Kambalda Pipeline: absence of demand for third party access
- Parmelia and Tubridgi Pipelines: uncertain prospects for market growth
- Mid-West and South-West Distribution Systems: retail market competition
- DBNGP and GGP: circumstances of pipeline history



Regulation Under Review



General Comments

- Timeliness of approvals processes
- Regulated rates of return



Conclusions



- The regulatory regime has been demonstrated to be sufficiently flexible to take into account the circumstances of individual pipelines
- Problems in timeliness should be resolved by experience and attention to Code processes
- New office of the economic regulator should improve administrative efficiency in the regulatory regime

