

NOTICE

Dampier to Bunbury Natural Gas Pipeline Tariff Variation 2007

On 7 November 2006, DBNGP (WA) Transmission Pty Limited (DBP) submitted a notice to the Economic Regulation Authority regarding the escalation of the reference tariffs for reference services on the Dampier to Bunbury Natural Gas Pipeline (DBNGP).

The DBP notice advised that the reference tariffs will be varied in line with the terms set out under the revised Access Arrangement which came into effect on 30 December 2005. The variation submitted by DBP increases the reference tariffs by the Consumer Price Index (All Groups – Perth) consistent with the tariff variation procedure set out in the revised Access Arrangement.

The Authority does not propose to disallow the tariff variation submitted by DBP. Consequently, the tariff variations will be effective from 1 January 2007 under section 8.3D of the *National Third Party Access Code for Natural Gas Pipeline Systems*.

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. This proportion is based on the distance the shipper is transporting the gas along the pipeline (from the inlet point to the outlet point) compared with the total length of the pipeline, as set out under section 3.2 of the Access Arrangement Information.

The table below shows the 2006 reference tariffs and the increased tariffs applicable for 2007 consistent with DBP's notice to the Authority:

Reference Tariffs		
Service and Charge	Tariff Charges 2006	Tariff Charges 2007
Full Haul (T1)		
Capacity reservation charge (\$/GJ MDQ)	0.936655	0.981650
Commodity charge (\$/GJ)	0.107334	0.112490
Indicative total at 100% load factor (\$/GJ)	1.043989	1.094140
Part Haul and Back Haul (P1 and B1)		
Capacity reservation charge (\$/GJ MDQ/km)	0.000670	0.000702
Commodity charge (\$/GJ/km)	0.000077	0.000080
Indicative total at 100% load factor (\$/GJ/km)	0.000747	0.000782

Copies of the revised Access Arrangement and Access Arrangement Information documents are available on the Authority's web site by clicking [here](#).

For further information contact:

General Enquiries

Mr Russell Dumas
Director Gas and Rail Access
Ph: 61 8 9213 1900
Fax: 61 8 9213 1999
Email: russell.dumas@era.wa.gov.au

Media Enquiries

Mr Paul Byrne
Byrne & Byrne Corporate
Communications
Ph: 61 8 9385 9941
Mb: 0417 922 452

LYNDON ROWE
CHAIRMAN
21 November 2006



**NOTICE OF VARIATION OF REFERENCE TARIFFS IN ACCESS ARRANGEMENT
FOR THE DAMPIER TO BUNBURY NATURAL GAS PIPELINE (DBNGP)**

Clause 7.11(a) of the DBNGP Access Arrangement provides for the adjustment of Reference Tariffs on 1 January in each of the years 2006, 2007, 2008 and 2009 in accordance with a 'price path' approach (as described in section 8.3 of the *National Third Party Access Code for Natural Gas Pipeline Systems (Code)*). The price path approach is represented in the DBNGP Access Arrangement by the formula of clause 7.11(b).

Clause 7.11 is given effect in Access Contracts for the Full Haul T1, Part Haul T1 and Back Haul T1 Reference Services of the Access Arrangement through:

- Clause 20.5 of the T1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part A);
- Clause 20.5 of the P1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part B); and
- Clause 20.5 of the B1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part C).

Pursuant to section 8.3B(ii) of the Code, Operator notifies the Economic Regulation Authority that the Reference Tariffs of the DBNGP Access Arrangement are to be varied in accordance with the Approved Reference Tariff Variation Method of clause 7.11 of the Access Arrangement.

The tariffs to be varied are the Reference Tariffs for:

- the Full Haul T1 Service (T1 Service);
- the Part Haul T1 Service (P1 Service); and
- the Back Haul T1 Service (B1 Service).

The variation of each of the Reference Tariffs, in accordance with the Approved Reference Tariff Variation Method contained in clause 7.11 of the Reference Tariff Policy of the Access Arrangement is set out in the attached Schedule. The Schedule demonstrates that the tariff variations are consistent with the Approved Reference Tariff Variation Method of the Reference Tariff Policy.

Operator advises that the varied Reference Tariffs are to have effect on and from 1 January 2006.

Date of Notice: 7 November 2006

Schedule

Dampier to Bubury Natural Gas Pipeline

Reference Tariff Variation: Varied Reference Tariffs effective on and from 1 January 2007

T1 Reference Tariff adjustment		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part A		
CPI _b = CPI for quarter ending 30 September 2004		142.0
CPI _n = CPI for quarter ending 30 September 2006		154.9
T1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff _n = adjusted T1 Capacity Reservation Tariff	\$/GJ	0.981650
T1 Commodity Tariff		
Tariff _b = Commodity Tariff	\$/GJ	0.103122
Tariff _n = adjusted T1 Capacity Reservation Tariff	\$/GJ	0.112490

P1 Reference Tariff adjustment		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part B		
CPI _b = CPI for quarter ending 30 September 2004		142.0
CPI _n = CPI for quarter ending 30 September 2006		154.9
P1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff _n = adjusted P1 Capacity Reservation Tariff	\$/GJ	0.981650
P1 Commodity Tariff		
Tariff _b = Commodity Tariff	\$/GJ	0.103122
Tariff _n = adjusted P1 Capacity Reservation Tariff	\$/GJ	0.112490

B1 Reference Tariff adjustment		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part C		
CPI _b = CPI for quarter ending 30 September 2004		142.0
CPI _n = CPI for quarter ending 30 September 2006		154.9
B1 Capacity Reservation Tariff		
Tariff _b = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff _n = adjusted B1 Capacity Reservation Tariff	\$/GJ	0.981650
B1 Commodity Tariff		
Tariff _b = Commodity Tariff	\$/GJ	0.103122
Tariff _n = adjusted B1 Capacity Reservation Tariff	\$/GJ	0.112490