

3 September 2001

Dr K Michael AM
West Australia Independent Gas Pipeline Access Regulator
Office of Gas Access Regulation
PO Box 8469
Perth Business Centre WA 6869

Attention: Mr R Pullelle

RE: Draft Decision on Dampier to Bunbury Natural Gas Pipeline (DBNGP) Access Arrangement

Thiess Pty Ltd, Australia's largest construction, mining and services company has provided services to Epic in the construction of the DBNGP. We are also continuing to support Epic's initiatives for the development of other future gas pipelines in Australia.

We have become aware of the above mentioned draft decision to reduce tariffs, and its impact on not only Epic's current operations and business but also the viability of future pipeline projects, in particular the expansion of the DBNGP including the extension into Albany and Esperence.

At a time when Australian governments are seeking greater involvement from the private sector in the provision of public infrastructure, the draft decision raises significant regulatory and sovereign risk issues, particularly in WA. Should the draft decision be implemented, we would expect it to have a negative impact on the level of interest of Australian and offshore infrastructure investors and financiers in any future public infrastructure proposals.

Any restriction on Epic's entitlement to earn a legitimate return from its investment may also result in a threat to the safe, reliable and efficient operation of this vital piece of infrastructure.

While reduced tariffs may be of benefit to some existing direct customers of Epic, this will come at the expense of the broader community and economy generally in terms of future job opportunities, services to new areas and the ongoing viability of a number of interested parties economic positions.

We support Epic's position in this instance and would request you review this draft decision to ensure it remains in the best interests of both the broader community in West Australia and the nation.

Yours faithfully

Roger Trundle
Managing Director