

**PLACER (GRANNY SMITH) PTY LIMITED**  
**A.C.N. 009-466-175**



8 March 2000

Mr Mike Jansen  
Office of Gas Access Regulation  
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197 St Georges Terrace  
PERTH WA 6000

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Dear Sir,

**Re: Invitation for Public Submissions**  
**Access Arrangement: Goldfields Gas Pipeline**  
**Licence Number WA PL 24**

Placer (Granny Smith) Pty Ltd as Manager of the Granny Smith Joint Venture are presently carrying out a feasibility study to determine the optimum approach for development of the Wallaby Deposit.

Optimum development of this resource will require an increase in generating capacity from the existing 17.5 MW station to a total of 27-30MW and studies are underway to determine the appropriate method of delivering that extra power ie. diesel or gas.

Granny Smith with its commitment to the environment would prefer to utilise gas because of the significantly lower greenhouse gas emissions. However, initial indications show the current tariff structure is unlikely to make this a viable alternative.

The State of Western Australia should be actively promoting the use of gas by the mining industry for both fiscal and environmental reasons.

The pessimistic outlook adopted by the GGT with regard to future loads, will become a reality unless the tariff charges are reduced.

A significant reduction in energy costs will ensure a healthy mining industry, and with the GGT's monopoly on gas transport to this region it is the first place to start with reductions, particularly in light of the GGP tariff's being significantly higher than other long pipelines in Australia.

Placer (Granny Smith) Pty Ltd will support any initiatives to reduce the GGP tariff's to the level that will enable Granny Smith to convert from diesel to gas power generation.

Signed:  
WF Plyley  
**General Manager**