

File No: MA202.001

26 May 2005

Mr Russell Dumas
Director, Gas and Rail Access
Economic Regulation Authority
Level 6, Governor Stirling Tower
197 St Georges Tce
Perth WA 6000

Dear Mr Dumas

DRAFT DECISION - DBNGPT REVISIONS TO THE DBNGP ACCESS ARRANGEMENT

This letter is Apache Energy Limited's submission to the Authority's draft decision of 11 May 2005 on the revisions proposed by DBNGPT to the DBNGP Access Arrangement (dated 21 January 2005).

In its submission of 14 March 2005, Apache focused on two key areas of concern, being

- (a) the provision of back haul and part haul services as Reference Services; and
- (b) the issue of gas quality and the general desire within the industry to move to a broader specification of gas inlet/outlet components on the DBNGP.

In this context, Apache supports the Authority's decision to not approve the proposed revisions and to recommend the changes outlined in its Draft Decision Amendments.

Specifically, Apache:

- (1) supports the Amendment 13 inclusion of a Reference Service that is "of the nature of the 'T1 Service' to which the Standard Shipper Contract relates";
- (2) endorses Amendment 14 which now provides Part Haul and Back Haul Services as Reference Services, and Amendment 9 which establishes a distance-based Reference Tariff for these Services; and
- (3) endorses Amendment 15 which proposes an Operating Specification for gas quality in the DBNGP which we believe provides a more flexible operating framework which should encourage gas field development and be therefore beneficial to the further development of the gas industry in Western Australia.

We commend the Authority for the resources and work that have been dedicated to establishing a revised DBNGP Access Arrangement which we trust will provide a more stable environment for all users of the DBNGP as we go forward.

Should you have any questions on this submission, please contact the undersigned.

Yours sincerely



AA

Russell G Stephenson
Gas Marketing Manager
Apache Energy Limited