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Office of Gas Access Regulation,  
P.O. Box 8469,  
Perth Business Centre,  
Perth, W.A.

Date: 6<sup>th</sup> August 2001  
Our ref: 495L-01 Offgar-DBNGP

**RE: DAMPIER-BUNBURY NATURAL GAS PIPELINE (DBNGP)  
REGULATOR DRAFT DECISION – PUBLIC CONSULTATION PERIOD**

Dear Sir/Madam,

I am writing to you in response to Offgar's recent regulatory draft decision in respect of the proposed sales tariffs for Epic Energy's Dampier-Bunbury Natural Gas Pipeline. As one of only two specialised anti-corrosion pipe coating applicators in Australia, we are highly dependent on the growth and future expansion of the national pipeline industry and particularly the pipeline coating services required by Epic and other energy providers.

Having studied the regulators proposal and as a key potential stakeholder in the development interests of the state, we are gravely concerned that the draft decision will adversely effect the gas industry in W.A. which will in turn impact on the long term viability of our organization. From our understanding, the draft decision, if implemented, will almost certainly result in the following:-

- Epic will not consider any future plans for expansion of the DBNGP system despite the fact that it is already close to capacity.
- Epic may defer or cancel future projects such as the extension of the DBNGP into Albury and Esperance. Naturally, any deferment or cancellation of Epic's plans will impact on downstream contractors such as ourselves in addition to stifling regional development, employment and economic growth.
- Given that the decision will presumably have a major economic impact on Epic's financial position, the progress of the proposed Darwin to Moomba pipeline may be seriously compromised with dire consequences for our company's position over the next 5 years.
- If the draft decision is accepted, it will send out negative messages to potential investors and financiers in both W.A. and nationally thereby thwarting future infrastructure investment and development.



**COATING TECHNOLOGIES SERVING THE ENERGY TRANSPORTATION INDUSTRY**

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In summation, we would urge Offgar to consider the points raised above and to respect the transportation tariffs outlined in Schedule 39 of the DBNGP Asset Sale Agreement. The consequences for intrusive regulation are serious indeed and should be considered very carefully prior to formulating a final decision.

Yours faithfully,

Paul Wilson  
Project Director  
APC Socotherm Pty Ltd

**\*\* (Note: This message has been sent electronically and requires no signature) \*\***



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