

August 24, 2001

Our Ref: *epi026lmu.doc*

Office of Gas Access Regulation
PO Box 8469
Perth Business Centre
WA 6869

Attention: Dr K Michael AM, Chief Executive Officer

Dear Dr Michael,

Subject: Proposed Tariffs for the Dampier to Bunbury Natural Gas Pipeline

Ecos Consulting (Aust) Pty Ltd provides environment, regulatory and external affairs services to Epic Energy. We have been Epic Energy's principal environmental adviser regarding its planning, construction and operational activities across Australia since Epic Energy's formation in Australia.


The recent draft decision and indicative tariffs for the Dampier to Bunbury Natural Gas Pipeline are of significant concern to Ecos. We understand that, if adopted, the decision will result in a significant reduction in revenue, threatening the financial position and viability of Epic Energy. This will have a direct and negative impact on Ecos' own financial position. Furthermore, as a company that provides services to the wider resource and development sectors in Western Australia, we are concerned that the decision may affect our activities in these areas too, as the new tariffs:

- present a barrier to competition in the electricity generation sector
- will threaten new projects to extend the pipeline network, and
- may negatively impact new gas developments.

Epic Energy is an important part of the Western Australian community - it makes a significant contribution to the State's economy and provides a vital commodity to industry, commerce and the general public. In addition, Ecos considers that Epic Energy's environmental performance is second to none within the pipeline industry.

Ecos supports Epic Energy's stance on this matter and we urge your Office to reconsider the content of the draft decision and accept the tariff proposed by Epic Energy.

Yours faithfully,



Mark Watson.
Director