

22 August, 2001

Office of Gas Access Regulation, Western Australia
PO Box 8469
Perth Business Centre WA 6849

Attention: Dr. K. Michael AM

Dear Sir

Draft Decision on the Dampier to Bunbury Natural Gas Pipeline

GPA Engineering Pty Ltd as a provider of Engineering services to Australia's pipeline industry, which includes Epic Energy request OFFGAR reconsider its draft decision in respect of the proposed tariffs on the Dampier to Bunbury pipeline system.

We are concerned that the proposed tariffs will not provide a fair and reasonable return to Epic to allow continued efficient, safe and environmentally sound operations of this significant infrastructure asset. We are also concerned that the proposed tariff appears to provide little incentive to further the development and expansion of this infrastructure, which ultimately may limit the overall future development of industry within Western Australia and Australia as a whole.

In our view Epic Energy have demonstrated a high level of competency and efficiency in the provision of its pipeline infrastructure within WA and Australia. We consider it has an exemplary record particularly in respect of environmental and safety management matters. These achievements do not come at zero cost nor do the criteria and objectives for these essential requirements remain static over the life of the pipeline. The public and government authorities are demanding the application of higher and higher standards for safety and environmental requirements and we are concerned that the significant effort required for achieving these standards may not have been fully factored into the draft decision on tariffs.

We believe it is vital to WA and Australia's interests that any decision on tariffs adequately and fairly recompenses the owners of the infrastructure. Incentives must be provided to those owners who provide efficient, safe and environmentally sound operations. To low a tariff is clearly a disincentive and will only harm the long-term interests of the community.

We respectfully request a further review and consideration of these matters.

Yours faithfully

P.R. Morrell
Director