

**G.P.R. Electrical and  
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**Attention: Dr K Michael AM  
Western Australian Independent Gas Pipeline Access  
Regulator**

***Proposed Tariffs for Dampier to Bunbury Natural Gas Pipeline***

The Geraldton Company of GPR Electrical (WA) Pty Ltd employs two to three personnel and Corrosion protection work on the Dampier to Bunbury natural gas pipeline accounts for a considerable amount of the company's income. If adjustments to the tariffs for the Dampier to Bunbury natural gas pipeline, as proposed by the Western Australian Independent Gas Pipelines Access Regulator were implemented, these people would be directly affected.

In setting the tariffs at 75 cents per gigajoule to Perth and 85 cents per gigajoule to areas south of Perth, instead of the \$1 and \$1.08 respectively as proposed by Epic Energy, Epic Energy has stated that it will threaten the financial viability of the company. As a direct result, the employment of these and many hundreds of people employed by businesses providing services to Epic Energy would be threatened.

Furthermore, at the rates proposed by your office, it is highly unlikely that the expansion of the capacity of the pipeline will be economically viable. Certainly, it would be very unlikely that Epic Energy would invest the proposed \$870 million over the next 10 years as we understand was proposed in the access arrangement submitted by Epic Energy.

If the proposed low tariffs are introduced the only beneficiaries will be current gas users, such as Western Power - a Government agency that would realise transportation savings of more than 20 per cent.

The losers would be Epic Energy and their employees, and the people of Geraldton and regional Western Australia.

We therefore urge you to consider further the issue of tariffs with due attention being given to the likely impact on economic activity and employment, both in the Geraldton and regional Western Australia.

Whilst GPR Electrical (WA) Pty Ltd clearly has a vested interest in making this submission, the impact of the proposed tariffs on economic activity and employment is undeniable and must be fully accounted for when the tariffs are finally set.

Yours faithfully

Graham Rutherford

