



OffGAR

OFFICE OF GAS ACCESS REGULATION

Our Ref: 1048/99

NOTICE

EXTENSION OF TIME TO SUBMIT AN ACCESS ARRANGEMENT: GRIFFIN PIPELINE (LICENCE NUMBER WA: PL19)

This is to advise that three responses have been received to my invitation for submissions on the extension of time to 8 August 1999, sought by SAGASCO South East Inc (SAGASCO), to submit an Access Arrangement for the Griffin Pipeline (Licence number WA:PL19). This invitation for submissions was issued under my Notice dated 7 May 1999, to enable me to be better informed of the needs of third party users of gas pipeline services for the Griffin pipeline.

While it is important to understand the needs of individual third parties, it is also important in granting an extension of time to ensure that any such extension is consistent with both the provisions and intent of the legislation.

Section 7.19 of the National Third Party Access Code for Natural Gas Pipeline Systems (the Code) provides for the granting of extensions of time. In relation to the intent of the legislation, guidance is provided by the preamble to Gas Pipelines Access (WA) Act 1998 (the Act), which states that the legislation was enacted so that a uniform national framework applies for third party access to all gas pipelines that:

- (a) facilitates the development and operation of a national market for natural gas; and
- (b) prevents abuse of monopoly power; and
- (c) promotes a competitive market for natural gas in which customers may choose suppliers, including producers, retailers and traders; and
- (d) provides rights of access to natural gas pipelines on conditions that are fair and reasonable for the owners and operators of gas transmission and distribution pipelines and persons wishing to use the services of those pipelines; and
- (e) provides for resolution of disputes.

Submissions were received from CMS Gas Transmission Australia and BHP Petroleum Pty Ltd and these are available on the OffGAR website (www.offgar.wa.gov.au).

In discussions and further correspondence with the various parties involved, it has become clear that the complexity of the joint venture arrangements and existing contractual rights and obligations of the Griffin Pipeline make it unlikely that SAGASCO will be in a position to submit an Access Arrangement before 8 August 1999.

With an Access Arrangement for the Griffin Pipeline being lodged on the 8 August 1999, potential third party users will have an understanding of the terms and conditions including price proposed by the pipeline service provider. The public submission process following lodgement of the Access Arrangement will further assist the various parties involved in considering their own positions in light of this information.

Being satisfied that potential third party users will not be unreasonably disadvantaged by the delay in submitting the Access Arrangement for the Griffin Pipeline, in accordance with section 7.19 of the Code, I hereby grant SAGASCO a further extension of time to 8 August 1999 to lodge an Access Arrangement for this pipeline.

KEN MICHAEL
GAS ACCESS REGULATOR

8 June 1999