

8 November 2002

Our Reference: 3246 MFB



Dr Ken Michael
WA Independent Gas Pipelines Access Regulator
Office of Gas Access Regulation
Level 6, Governor Stirling Tower
197 St Georges Terrace
Perth WA 6000

Dear Dr Michael,

SUBJECT: Submission Regarding the Draft Decision on Proposed Access Arrangement for the Dampier to Bunbury Natural Gas Pipeline

North West Shelf Gas Pty Ltd (NWSG) makes the following additional submission to the Western Australian Independent Gas Pipelines Access Regulator regarding the Draft Decision on the proposed Access Arrangement for the Dampier to Bunbury Natural Gas Pipeline by Epic Energy.

The gas quality proposed by the Epic Access Arrangement is restrictive in several respects but particularly with regard to the obligation for producers to meet a minimum LPG specification of 1.45t/TJ (or be potentially penalised), and in relation to the maximum inlet temperature.

NWSG notes and supports the Regulator's position outlined in Amendment 9 of the Draft Decision that the proposed Access Arrangements be altered so that gas quality post 1 July 2005 be no more restrictive than the broadest specification.

NWSG makes the observation that imposition of a minimum pipeline LPG level is an unusual restriction and is not, for example, contained within the proposed Australian Standard for pipeline gas that is under development. The continuation of minimum LPG levels would be detrimental to WA gas industry growth as it imposes a burden on current and potential gas suppliers.

NWSG supports the removal of the LPG obligation and the widening of the gas quality specification to the broadest specification consistent with the timing proposed by the Regulator.

We note that the Regulator has endorsed the proposed maximum inlet temperature of 50 degrees Celsius. We refer to our earlier submissions on this matter noting that the NWSJV Plant and associated DBNGP inlet system is designed to meet a maximum inlet temperature of 60 degrees. This is consistent with our current and future contractual obligations. Given the typically prevailing ambient temperature conditions on the Burrup it would be extremely difficult to meet the proposed maximum inlet temperature specification of 50 degrees Celsius.

NWSG requests a meeting with the Regulator to discuss in further detail the issues surrounding this situation at an appropriate time prior to a final decision.

Separate to the issues associated with the proposed Epic Access Arrangement we wish to acknowledge the important role and efforts of Epic Energy in assisting the gas industry with continuity of supply during NWSJV shutdowns.

Should you have any questions regarding our submission, please contact Mr Mark Barretto, Manager Contract and Support Services at NWSG on 08 9348 5454.

Yours faithfully,



JOHN RICHARDS
General Manager