

## SHIRE OF PERENJORI SUBMISSION

BRT:dgp

CEO 10 08 01

The Regulator  
The Office of Gas Access Regulation  
PO BOX 8469  
PERTH BUSINESS CENTRE WA 6849

Dear Sir

The above Council wishes to express its deep concern at the draft regulatory decision on the Dampier to Bunbury Natural Gas Pipeline. The decision to propose transportation charges of 75c/GJ from Dampier to Perth & 89c/GJ from Dampier to South of Perth will unfairly impact on new projects particularly in the Perenjori area.

Perenjori has been negotiating with Mount Gibson Iron Ltd to establish a 150 mega-watt gas fired power station in the Perenjori area. The power station would be fed from a gas lateral off the DBNGP.

Under the original pricing structure capital improvements would have been absorbed by Epic Energy and the power station would have been on equal footing with other power stations utilising natural gas. The draft decision will see either the project meeting the up front capital cost which could mean the project will not proceed or the power station not operating on a "level playing field".

Areas like Perenjori are socially and economically depressed due to the state of the Agriculture Industry (and predictions indicate this will not change into the future) and non agricultural development is a means of repopulating rural areas or at the very least stabilising population trends. These facts will apply to other major projects which require low cost energy in the Midland Region.

Council seeks your reconsideration of the draft regulatory decision and accept the proposed \$1/GJ to Perth and \$1.08/GJ south of Perth as put forward by Epic Energy.

Yours faithfully

.....

B R THOMPSON  
CHIEF EXECUTIVE OFFICER