



**CONSULATE GENERAL OF THE**  
**UNITED STATES OF AMERICA**

13<sup>th</sup> Floor, 16 St Georges Terrace  
Perth, Australia

August 9, 2001

Mr. Robert Pullella  
Office of Gas Access Regulation  
Level 6, Governor Stirling Tower  
197 St George's Terrace  
Perth WA 6000

Dear Sir,

**Public Submission re Dampier to Bunbury Natural Gas Pipeline**  
**(Pipeline Licence No WA: PL40) Draft Decision**

We refer to your Draft Decision issued on June 21, 2001 regarding gas access pricing for the above pipeline and the adverse comments which have been received by this office regarding that decision and take this opportunity to include our comments for your consideration.

In the specific case of Epic Energy and your recent draft decision regarding the DBNGP, you should be aware that the 28 international finance houses currently supporting Epic are rapidly becoming completely frustrated regarding the cost of doing business in Western Australia. They are especially concerned about the reduction in expected Rates of Return, which would come from your decision should it become permanent. Should your Decision become final in its present format it will have direct adverse ramifications for Epic Energy's financial viability and sustainability and it will also adversely affect Australia's future ability to raise international funding for other infrastructure developments.

At a meeting on Friday August 3, 2001 held in Washington, D.C., with several representatives of American companies doing business in Western Australia and Australia, the incoming United States Consul General for Western Australia, Mr. Oscar De Soto, was made aware of concerns regarding future investment in this country. Due to the decisions by Regulators across the country, Australia is becoming a country where investors must take political risk into account.

The United States Government is concerned that it would become difficult to recommend Australia as a favorable destination for U.S. investment funds should this Decision be confirmed.

Sincerely,

Marshall F. Atkins  
Acting Consul General of the  
United States of America