



Worley

**Projects
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Office of Gas Access Regulation
PO Box 8469
Perth Business Centre 6849

Dear Sir

DRAFT DECISION ON DBNGP RATES CASE

We wish to express our deep concern over the recent announcements on the rate review application submitted by Epic Energy for the DBNGP. We understand that the issue is very complex and needs to be carefully worked through by yourselves in conjunction with Epic.

In recent years Worley has worked very closely with Epic Energy to provide engineering services for the significant expansion projects that they have undertaken as owners of the DBNGP. We believe the ongoing expansion of this major West Australian asset is critical to the future growth of industry in WA, which usually depends on a good clean supply of energy to operate. We are very concerned that the draft rates decision is going to severely limit industry growth, as the future tariffs for gas allowing for incremental capacity expansion will be too high for new ventures to succeed. We understand that the pipeline has always operated on a tariff that has made provision for future expansion and allows new customers to be connected at similar rates.

We strongly object to any additional barriers that may limit growth of the WA gas industry. As a consulting engineering company we want to see as many new projects as possible being implemented in WA this creates employment opportunities for our organization and longer term for the wider community. Hence we would support any decision that encourages new entrants to the gas market on an even playing field.

Worley would like to continue working with Epic Energy on future expansion projects. We believe these opportunities could be seriously jeopardized if Epic are unable to generate the necessary revenue from the pipeline due to the restrictive tariffs that could be imposed on them by this decision.



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We therefore appeal to you to consider the rates application with a view to the long term growth of the gas industry in WA and to encourage fair and reasonable competition for new industries that will depend on a gas supply for their operation.

Yours faithfully
Worley

Richard BROOKE-SMITH
General Manager - Pipelines and Terminals