

9 May 2000

Mr Robert Pallella
Office of Gas Regulation
Level 6 Governor Stirling Tower
197 St George's Terrace
PERTH WA 6000

Dear Mr Pallella

DRAFT DECISION ON ALINTA GAS ACCESS ARRANGEMENT

We have reviewed the draft decision and Origin Energy-Major Industry and Power submits the following comments for consideration.

The gas quality specifications would appear to be onerous in comparison to other network requirements throughout Australia and will significantly reduce potential competition. The higher gas quality specification contemplated will reduce the capacity of current small producers and significantly impact on the cost of development of future small gas fields. This would seem to be providing a significant marketing advantage to the gas delivered under contracts from the Northwest Shelf for no real benefit.

The standing charge for the Reference Service A appears to be excessive and will be a significant disadvantage to small customers. We believe the charge requires further review as to it appropriateness and level of application.

We would welcome the opportunity to discuss this with you further.

Yours sincerely

Mr Andrew Dimsey Senior Manager, Energy Marketing (WA) Major Industry & Power