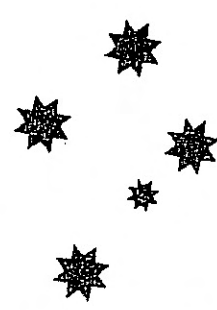


Ref: ST-DAK-AEF: 0087

17 June 2009

Mr L Rowe
Chairman
Economic Regulation Authority
Level 6, Governor Stirling Tower
197 St Georges Terrace
PERTH WA 6000



**SOUTHERN CROSS
PIPELINES**
AUSTRALIA PTY LIMITED

Dear Mr Rowe

**KAMBALDA LATERAL (WA: PL 27)
Extension of time to submit Access Arrangement**

On 12 May 2008, the Authority granted Southern Cross Pipelines Australia Pty Ltd (SCPA) an extension of time to lodge an Access Arrangement for the Kalgoorlie to Kambalda Gas Pipeline (WA: PL 27) (Kambalda Lateral). This extension was granted in part due to the impending introduction of the new National Gas Law, which included transitional provisions related to the Kambalda Lateral.

This extension expires 1 July 2009.

SCPA understands that the some of the new National Gas Law transitional provisions will relate directly to the regulatory treatment of the Kambalda Lateral. It is understood that these provisions would supersede the existing extension. However, given the delays to date in the introduction of the new National Gas Law in Western Australia, SCPA is concerned that the current extension to lodge an Access Arrangement for the Kambalda Lateral may expire prior to the transitional provisions taking effect.

SCPA therefore seeks a further extension of one year from 1 July 2009 to the requirement to lodge an Access Arrangement. We confirm that work is proceeding on the preparation of an application for revocation of coverage of the Kambalda Lateral and that SCPA intends to lodge such an application shortly after the new National Gas Law is introduced.

There are currently two users of the Kambalda Lateral and the circumstances that affect access to the Kambalda Lateral have not altered since the present extension was granted and are unlikely to change in the near future.

Please do not hesitate in contacting me on regarding any of the above.

Yours faithfully

David King
Chief Executive Officer