



**DBNGP (WA) Transmission Pty Limited**

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18 December 2009

Mr Lyndon Rowe  
Chairman  
Economic Regulation Authority  
Level 6  
197 St Georges Terrace  
PERTH WA 6000

**Attention: Mr Russell Dumas**

Dear Lyndon

**DBNGP ACCESS ARRANGEMENT – VARIATION OF REFERENCE TARIFFS FROM 1 JANUARY 2010**

DBP refers to correspondence sent to the ERA dated 2 December 2009 requesting the Economic Regulation Authority (ERA) give specific consideration to a variation of the reference tariffs for 1 January 2010 despite a 2010 tariff adjustment not explicitly being mandated by the approved Access Arrangement.

DBP is of the view that the decisions of the ERA that were the basis of the approved Access Arrangement make it clear that a CPI based adjustment of the reference tariffs was to be made at 1 January 2010 and that due to an oversight by both DBP and ERA, this has not been reflected in the approved Access Arrangement.

Clause 7.11(a) of the DBNGP Access Arrangement provides for adjustment of the Reference Tariff on 1 January in each of the years 2006, 2007, 2008 and 2009 in accordance with a 'price path' approach (as described in section 8.3 of the *National Third Party Access Code for Natural Gas Pipeline Systems (Code)*). The price path approach is represented in the DBNGP Access Arrangement by the formula of clause 7.11(b).

Clause 7.11 of the Access Arrangement is given effect through:

- Clause 20.5 of the T1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part A);
- Clause 20.5 of the P1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part B); and
- Clause 20.5 of the B1 Service Terms and Conditions (DBNGP Access Arrangement, Appendix 1, Part C).

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The Access Arrangement (at section 7.11(b)) provides for the reference tariffs to be varied (to reflect changes to the CPI) each year from 1 January 2006 to 1 January 2009 but not on 1 January 2010. This is so notwithstanding the fact that the term of the Access Arrangement remains current until at least 31 January 2010.

DBP is of the view that the approved access arrangement, the associated decisions of the ERA and the financial model released by the ERA imply reference tariffs adjustments are to be made on 1 January 2010.

DBP submits this variation notice based on the belief it was the ERA's intention that a CPI adjustment be made at 1 January 2010 and that due to an oversight by both DBP and ERA, this has not been reflected in the approved Access Arrangement.

In accordance with section 8.3B of the Code, Operator notifies the Economic Regulation Authority of the tariff adjustment. Operator's formal notice of Reference Tariff adjustment, as required by section 8.3B, is attached to this letter.

Yours sincerely

**Anthony Cribb**  
**General Manager, Corporate Services**  
**Company Secretary**

## Dampier to Bubury Natural Gas Pipeline

### Reference Tariff Variation: Varied Reference Tariffs effective on and from 1 January 2010

<b>T1 Reference Tariff adjustment</b>		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part A		
CPI <sub>b</sub> = CPI for quarter ending 30 September 2004		142.0
CPI <sub>n</sub> = CPI for quarter ending 30 September 2009		168.7
<b>T1 Capacity Reservation Tariff</b>		
Tariff <sub>b</sub> = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff <sub>n</sub> = adjusted T1 Capacity Reservation Tariff	\$/GJ	1.069105
<b>T1 Commodity Tariff</b>		
Tariff <sub>b</sub> = Commodity Tariff	\$/GJ	0.103122
Tariff <sub>n</sub> = adjusted T1 Capacity Reservation Tariff	\$/GJ	0.122512

<b>P1 Reference Tariff adjustment</b>		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part B		
CPI <sub>b</sub> = CPI for quarter ending 30 September 2004		142.0
CPI <sub>n</sub> = CPI for quarter ending 30 September 2009		168.7
<b>P1 Capacity Reservation Tariff</b>		
Tariff <sub>b</sub> = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff <sub>n</sub> = adjusted P1 Capacity Reservation Tariff	\$/GJ	1.069105
<b>P1 Commodity Tariff</b>		
Tariff <sub>b</sub> = Commodity Tariff	\$/GJ	0.103122
Tariff <sub>n</sub> = adjusted P1 Capacity Reservation Tariff	\$/GJ	0.122512

<b>B1 Reference Tariff adjustment</b>		
Clause 7.11 of DBNGP Access Arrangement, and clause 20.5 of Appendix 1, Part C		
CPI <sub>b</sub> = CPI for quarter ending 30 September 2004		142.0
CPI <sub>n</sub> = CPI for quarter ending 30 September 2009		168.7
<b>B1 Capacity Reservation Tariff</b>		
Tariff <sub>b</sub> = Capacity Reservation Tariff	\$/GJ	0.899899
Tariff <sub>n</sub> = adjusted B1 Capacity Reservation Tariff	\$/GJ	1.069105
<b>B1 Commodity Tariff</b>		
Tariff <sub>b</sub> = Commodity Tariff	\$/GJ	0.103122
Tariff <sub>n</sub> = adjusted B1 Capacity Reservation Tariff	\$/GJ	0.122512