



GOLDFIELDS GAS TRANSMISSION PTY LTD

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

Dear Mr Rowe

**RE: Goldfields Gas Pipeline – Reference Tariff CPI Escalation
Period 1 October 2011 to 31 December 2011**

In accordance with Clause 5.3 of the Goldfields Gas Pipeline (GGP) Revised Access Arrangement, the GGP Reference Tariff is varied in accordance with the tariff escalation calculation as defined in the GGP Access Arrangement General Terms and Conditions Clause 9.8 as follows:

$$C_t = C_{t-1} \times \frac{1}{1+K} \times \frac{CPI_{t-2}}{CPI_{t-3}} ;$$

where:

C_t is the relevant charge in the Quarter t in which the Billing Period occurs;

C_{t-1} is the charge for the quarter $t-1$;

CPI_{t-2} is the CPI for the Quarter commencing six months prior to the commencement of Quarter t ;

CPI_{t-3} is the CPI for the Quarter commencing nine months prior to the commencement of Quarter t ;

$$K = \left[1 + \frac{R}{100} \right]^{0.25} - 1; \text{ and}$$

R is 2.5

The Reference Tariff applicable for the period $t-1$ is:

Tariff	Toll \$/GJ	Capacity Reservation \$/GJ km	Throughput \$/GJ km
1 July 2011 to 30 September 2011	0.247262	0.001472	0.000405

The Reference Tariff applicable to the GGP from 1 October 2011 to 31 December 2011 is determined as follows:

$$K = \left[1 + \frac{R}{100} \right]^{0.25} - 1$$

$$K = 0.006192$$

$$R = 2.5$$

			$\frac{1}{1+K}$	$\frac{178.3}{176.7}$
Toll Tariff =	0.247262	x	$\frac{1}{1+K}$	x
	= 0.247262	x	0.993846	x
	= 0.247965	\$/GJ		
			$\frac{1}{1+K}$	$\frac{178.3}{176.7}$
Capacity Reservation Tariff =	0.001472	x	$\frac{1}{1+K}$	x
	= 0.001472	x	0.993846	x
	= 0.001476	\$/GJ/km		
			$\frac{1}{1+K}$	$\frac{178.3}{176.7}$
Throughput Tariff =	0.000405	x	$\frac{1}{1+K}$	x
	= 0.000405	x	0.993846	x
	= 0.000406	\$/GJ/km		

Tariff	Toll \$/GJ	Capacity Reservation \$/GJ km	Throughput \$/GJ km
1 October 2011 to 31 December 2011	0.247965	0.001476	0.000406

Yours faithfully

Steve Lewis
General Manager