



2 November 2020

Ref: BPT/139/20

By online submission

Mr Tyson Self
Assistant Director of Gas
Economic Regulation Authority
Albert Facey House
469 Wellington Street
Perth WA 6000

Dear Mr Self,

Submission in support of the proposed Ullage Service by DBP

Beach Energy Limited (**Beach**), as a 50% joint venture participant in the Waitsia Joint Venture (**WJV**), would like to express its support for DBP's revised proposal to the ERA (published on the ERA website on 08 October 2020) that the proposed pipeline service to deliver gas from the Perth Basin to the Karratha Gas Plant (**Ullage Service**) be treated as a non-reference rebateable service for the duration of the Ullage Service.

Beach considers the proposed Ullage Service should not be a reference service for the following reasons:

- the opportunity for WJV to backfill the Karratha Gas Plant is limited to a specified, government approved period and volume;
- the proposed Ullage Service contains elements that are unique to the WJV and reflects the specific requirements of the WJV (as the Shipper) and the Karratha Gas Plant (as the end user);
- the WJV has been requested to fund certain capital works (as shipper-funded works) to enable the Ullage Service to be performed and those works are specific to the unique nature of the Ullage Service; and
- Beach believes it is in the interests of all shippers on the DBNGP that the proposed Ullage Service proceeds as it promotes the efficient operation and use of the DBNGP, increases the security of supply of natural gas and will benefit Shippers by lowering the Reference Tariffs.

The provision of the Ullage Service underpins the Waitsia Gas Project Stage 2. Please let me know if you require a meeting or further information to facilitate and expedite the ERA's decision on the treatment of the Ullage Service, which we hope to receive prior to the commencement of Access Arrangement for period 2021-2025 on 1 January 2021.

Yours sincerely,



Matt Kay
Managing Director