

Ref: DAK.ST.NL-0007

16 February 2006

Mr Lyndon Rowe  
Chairman  
Economic Regulation Authority  
Level 6, Governor Stirling Tower  
197 St. George's Terrace  
PERTH WA 6000

Dear Mr Rowe

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

$$C_t = C_{t-1} \times \left[ \frac{CPI_{t-2}}{CPI_{t-3}} - X \right]$$

Where:

- $C_t$  is the relevant charge in the Quarter  $t$  in which the Billing Period occurs;
- $C_{t-1}$  is the relevant charge in the immediately preceding Quarter;
- $CPI_{t-2}$  is the CPI for the Quarter ended three months prior to the commencement of Quarter  $t$ ;
- $CPI_{t-3}$  is the CPI for the Quarter ended six months prior to the commencement of Quarter  $t$ ; and
- $X$  is 0.0275 when  $t$  is the Quarter beginning 1 January 2001 and is zero otherwise.

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

Tariff	Toll \$/GJ	Capacity Reservation \$/GJ km	Throughput \$/GJ km
1 October 2005 to 31 December 2005	0.248026	0.001417	0.000369

The Reference Tariff applicable to the GGP from 1 January 2006 to 31 March 2006

$$\begin{array}{r}
 \\
 \\
 \text{Toll Charge} = 0.248026 \quad \times \quad \underline{149.8} \\
 = 0.248026 \quad \times \quad 148.4 \\
 = \mathbf{0.250366} \quad \text{\$/GJ} \quad 1.009434
 \end{array}$$

$$\begin{array}{r}
 \\
 \\
 \text{Capacity Reservation Charge} = 0.001417 \quad \times \quad \underline{149.8} \\
 = 0.001417 \quad \times \quad 148.4 \\
 = \mathbf{0.001430} \quad \text{\$/GJ/km} \quad 1.009434
 \end{array}$$

$$\begin{array}{r}
 \\
 \\
 \text{Throughput Charge} = 0.000369 \quad \times \quad \underline{149.8} \\
 = 0.000369 \quad \times \quad 148.4 \\
 = \mathbf{0.000372} \quad \text{\$/GJ/km} \quad 1.009434
 \end{array}$$

Tariff	Toll \$/GJ	Capacity Reservation \$/GJ km	Throughput \$/GJ km
1 January 2006 to 31 March 2006	0.250366	0.001430	0.000372

Yours sincerely

**David A King**  
General Manager