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31 March 2025

Dear Tyson

**RESPONSE TO ERA ISSUES PAPER ON DBNGP ACCESS ARANGEMENT FINAL PLAN**

NewGen Kwinana welcomes the opportunity to provide feedback on the ERA's Issues Paper in relation to the DBNGP Access Arrangement for 2026 to 2030.

## Question 1

*The ERA has identified clauses 7.6, 7.8 and 7.9 within the reference service terms and conditions that relate directly to liability for out of specification gas. Are there any other clauses within the terms and conditions and/or provisions within the access arrangement that need to be reviewed when considering liability for out of specification gas?*

### Response:

Newgen has no comment on this question at this time.

## Question 2

*In your opinion, who should be liable for damages caused by out of specification gas entering the DBNGP? In answering this question, please:*

*a. Provide reasons as to why a particular party should (or should not) be held liable for damages.*

*b. Outline specific circumstances, if any, under which a party should (or should not) be held liable for damages*

### Response:

Newgen does not consider there is any justifiable reason Shippers are liable for damages caused by out of specification gas. Shippers are not responsible for the production of out of specification gas and Shippers have no ability to physically prevent off specification gas from entering the pipeline. The liability for damage should sit with the party that's the causer of the damage; either the producer of the out of specification gas or the pipeline operator for knowingly allowing the transport of out of specification gas.

Newgen strongly encourages the ERA to consider how to align the liability on a causer pays basis.

## Question 3

*DBP has revised its operational processes and procedures to improve the notification process for gas specification. Given these operational measures do not directly form part of the terms and conditions for reference services, do DBP's revised processes and procedures adequately mitigate shippers' risk for out of specification gas? In answering this question, please provide details that explain and support your position.*

**Response:**

Newgen has no comment on this question at this time.

## Question 4

*Do you agree with DBP's position that clause D.23.5 of the Firm Transportation Service terms and conditions for the Goldfields Gas Pipeline access arrangement is inappropriate for the reference service terms and conditions for the DBNGP access arrangement? In answering this question, please provide your reasons as to why you agree/disagree.*

**Response:**

Newgen has no comment on this question at this time.

## Question 5

*Would a clause similar to clause D.23.6 of the Firm Transportation Service terms and conditions for the Goldfields Gas Pipeline access arrangement help to address the concerns of shippers for liability for out of specification gas? In answering this question, please provide details that explain and support your position, including any amendments to the drafting of this clause that you consider necessary to be relevant to the DBNGP.*

**Response:**

Newgen has no comment on this question at this time.

## Question 6

*In setting the capacity and commodity charges, DBP has proposed a change to the capacity to commodity ratio. For AA6, the capacity to commodity ratio will be 95:5 (compared to the current 94:6 for AA5). Do you agree with this proposed change? In answering this question, please provide details to support your view, including your proposed ratio if you disagree with DBP*

**Response:**

Analysis of the AA5 and AA6 cost stacks shows the ratios of variable costs (SUG) to fixed costs as follows:

| | AA5 | AA6 |
|---|---|---|
| **Fixed costs** | $1,667m | $2,343m |
| **Variable costs (SUG)** | $103m | $130m |
| **Ratios (fixed and variable)** | 94.2%<br>5.8% | 94.7%<br>5.3% |
| **Ratios (fixed and variable)<br>Rounded** | 94%<br>6% | 95%<br>5% |

The AA6 forecast fixed and variable cost split assumes that SUG is the only variable cost.

However, given SUG is not the only variable cost incurred by DBP (eg. maintenance on compressors, which is driven by pipeline throughput, is also a variable cost), the ERA should satisfy itself that there are no additional variable costs to be applied in calculating the capacity and commodity charge ratio.

NewGen considers that all variable costs should be included in determining DBP's capacity and commodity charge ratio.

## Question 7

*DBP has proposed a significant tariff increase on 1 January 2026, followed by a smoothed tariff price path over the course of the access arrangement period (2027 to 2030). Is DBP's proposed price increase and smoothed tariff path a concern to you? If so, please provide details of your concern and suggest ways to address it (for example, is there an alternative tariff price path that should be considered).*

### Response:

NewGen recognise that there is a proposed increase in the Reference Tariffs in the AA6 period compared to the AA5 period, including due to a higher weighted average cost of capital (WACC). However, it would be possible to model a net present value (NPV) smoothed price path starting from the final year of AA5, which will leave DBP no worse off but will mitigate the proposed sharp price increase in Year 1 of the AA6 period should there be a substantial increase in the Reference Tariff. This NPV-smoothed approach would better achieve the National Gas Objective[1].

In addition, the proposed recovery of deferred depreciation in Year 1 of the AA6 period is avoidable and if smoothed over a longer period would also mitigate the size of the Year 1 Reference Tariff increase.

Sharp increases in Reference Tariffs are inconsistent with DBP maintaining demand for its Reference Services in the AA6 period and beyond and as such are contrary to the long term interests of gas

[1] National Gas Law Section 23

consumers.

## Question 8

*DBP has proposed to largely retain the Reference Tariff Variation Mechanism that currently exists for AA5, with the addition of new provisions to allow the costs associated with the Safeguard Mechanism to be recovered via an adjustment to reference tariffs. Do you agree with this proposed change? In answering this question, please provide reasons as to why you agree/disagree*

### Response:

In principle, the proposed addition to the Reference Tariff Variation Mechanism is reasonable and reflects both the National Gas Objective and the Revenue and Pricing Principles[2] in the National Gas Law.

However, NewGen has a concern that only DBP's incurred costs that result from complying with the Safeguard Mechanism should be approved for the Reference Tariff Variation Mechanism. It is not clear from the new section of the Access Arrangement – Section A6 of Annexure A – which amounts may be included in a Cost Pass Through Event and how they are to be verified. That is, the proposed Access Arrangement does not specify if incurred costs or forecast costs are to be passed through and how users can be confident that only incremental incurred costs related to the Safeguard Mechanism are included.

NewGen is strongly of the view that only DBPs incremental incurred costs that demonstrably arise from it achieving compliance with the Safeguard Mechanism and that have been verified by the ERA should be subject to the Reference Tariff Variation Mechanism.

## Question 9

*DBP has proposed to retain the 70 per cent rebateable portion for rebateable services. That is, for AA6, DBP will rebate 70 per cent of rebateable services revenue to customers through an adjustment to total revenue and tariffs (and will keep the other 30 per cent of rebateable services revenue). Do you support DBP's proposal to leave the rebateable portion unchanged? In answering this question, please provide details that explain and support your position, including the rebateable portion that you think should apply, if different, and why*

### Response:

In NewGen's view the rebateable portion for rebateable services needs to be revisited. In particular, we consider that a 30% retention of rebateable revenue is unnecessarily generous to DBP.

Services are made rebateable because there is a high degree of uncertainty about the demand for them. If

[2] National Gas Law Section 24

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the demand for the services was as predictable as Reference Services or other non-Reference Services that are not rebateable, then they would not need to be rebateable.

The concept of rebateable services is, then, a risk protection tool for service providers. That is the service provider is protected against the uncertainty of demand. In the light of this it is reasonable that 100% of the rebateable service revenue be rebated (net of a share of common costs of the rebateable service).

The only rationale for rebating less than 100% of the rebateable service revenue is to recover from the rebateable services a share of common costs to the benefit of users of non-rebateable services.

We note that in the ERA's final decision on DBP's 2021-25 Access Arrangement[3], it considered the AER's 2017 draft decision on rebateable service provided by the Roma-Brisbane Pipeline – for in-pipe trading and capacity trading services – which the AER considered to be innovative services and therefore should have a higher level of incentive for the pipeline owner (i.e. 70:30). In contrast, it proposed 90:10 rebate sharing for 'park and loan' services. In its final decision, the AER was persuaded by APA that the distinction between innovative and non-innovative services was "artificial" and in reaching a single sharing ratio for all rebateable services the AER arbitrarily applied the 70:30 ratio because it was consistent with the service provider/customer sharing ratio implicitly used in its opex efficiency benefit sharing mechanism.

In NewGen's view, using the implicit opex efficiency benefit sharing ratio is arbitrary and inappropriate because the nature of the incentives for opex efficiency and rebateable services are significantly different. The reward for increased opex efficiency is held by service providers fully for 5 years before passing the opex reductions to customers. Without this benefit sharing mechanism, service providers are incentivised to reduce their efforts in seeking efficiencies in the year or two prior to the next access arrangement.

In the case of the rebateable service the benefit of it being rebateable is to eliminate the risk to service providers of demand uncertainty that they otherwise would be subjected to. This demand risk is immediately shifted to users of the non-rebateable services.

If there is a meaningful need to incentivise the service provider to provide rebateable services, the incentive should not be more than is necessary. Arguably, if the sharing ratio for opex is 70:30, then the sharing ratio for rebateable services revenue should be less generous to DBP because of the immediate not deferred (for 5 years) shifting of demand risk to users.

[3] AER, Final decision: Roma to Brisbane Gas Pipeline Access Arrangement 2017–22, Attachment 1 – Services covered by the access arrangement, November 2017, pp. 18-19.

## Question 10

*DBP's proposed depreciation amount for 2026 is materially higher than the remaining years of AA6 (2027 to 2030) due to deferred depreciation arrangements from AA5. Do you support DBP's proposed recovery arrangements for the deferred depreciation from AA5? If no, what recovery arrangements should apply and why?*

**Response:**

In NewGen's view, recovery of the deferred depreciation in the first year of the AA6 period is materially contributing to a one-off price shock for users and for this reason should be rejected.

Newgen considers that recovery of the deferred depreciation over one or two access arrangement periods is reasonable and balances the interests of DBP and users. From a user's perspective, this revenue smoothing would allow a smoother price path and avoid unnecessary price shocks.

## Question 11

*DBP has considered the future of its gas transmission infrastructure in a decarbonised energy environment. Based on available information, is an economic end of life of 2063 for the DBNGP reasonable and does it lie within a range of plausible outcomes? Do these plausible outcomes include an appropriate range of futures for DBP's largest customer segments of alumina and gas power generation?*

**Response:**

Predicting the trajectory of the energy transition is a fraught exercise. While decarbonisation is well under way, there is a lot that must be done to reach "Net Zero" by 2050.

Under current energy-related technologies, it appears that gas is going to continue to be needed to support increasing renewables penetration (and the closure of coal fired generation) for a significant period. However, new technologies may bring forward longer term storage options reducing the need for gas fired generation. Equally, in industrial applications, where high temperatures and a need for a carbon source mean they are hard to abate, natural gas remains the only option.

Given the present state of energy technologies and what potentially may be discovered through research and development, the selection of 2063 as economic end of life in ERA's final decision on AA5 was reasonable.

## Question 12

*DBP has based its demand forecast on firm contracts and contracts yet to be signed for AA6. Should DBP have included potential uncontracted capacity that may occur during AA6 in its demand forecast? If yes,* *please provide details of any potential uncontracted capacity that you consider to be relevant.*

**Response:**

Basing the AA6 demand forecast solely on firm contracts and contracts yet to be signed more than a year before the AA6 period begins is inherently conservative and provides a floor for the demand forecast.

In NewGen's view, using firm contracts as a first step in developing the AA6 demand forecast is reasonable. However, it is not clear from DBP's demand forecast how much additional demand has been forecast in relation to contracts yet to be signed and how this may potentially contracted demand is likely to reflect the overall gas demand outlook in the AA6 period.

NGR Rule 74 states

> (1) Information in the nature of a forecast or estimate must be supported by a statement of the basis of the forecast or estimate.
>
> (2) A forecast or estimate:
>
> (a) must be arrived at on a reasonable basis; and
>
> (b) must represent the best forecast or estimate possible in the circumstances.

In NewGen's view, it is not clear that DBP's AA6 demand forecast is "the best forecast or estimate" possible and as such could be inconsistent with NGR 74(2).

The demand forecast should include a forecast of demand that captures contracted demand plus a reasonable estimate of currently uncontracted demand. This can be underpinned by an analysis of the AA5 and earlier periods to establish trends in demand not contracted prior to the commencement of an access arrangement. This should be supplemented by market assessments of potential additional demand. In this way, DBP can transparently set out its views about the AA6 demand outlook and clarify the firm and less firm components of its demand forecast.

## Question 13

*For the purpose of determining reference tariffs, DBP has allocated its total revenue and costs as required by the NGR. In doing so, DBP has changed the allocation ratio that was used in AA5 (i.e. DBP has changed the ratio from 99:1 to 99.5:0.5). Do you agree with DBP's proposed change? If no, please provide reasons as to why you disagree, including your proposed allocation ratio and reasons for it.*

**Response:**

Rule 93(1) of the NGR requires "*Total revenue is to be allocated between reference and other services in the ratio in which costs are allocated between reference and other services*". The allocation of costs between Reference and non-References Services proposed by DBP is to use historic revenues for Reference and non-Reference Services, which clearly is not an application of Rule 93.

Rule 93(2) of the NGR requires:

> (2) Costs are to be allocated between reference and other services as follows:
>
> (a) costs directly attributable to reference services are to be allocated to those services; and
>
> (b) costs directly attributable to pipeline services that are not reference services are to be allocated to those services; and
>
> (c) other costs are to be allocated between reference and other services on a basis (which must be consistent with the revenue and pricing principles) determined or approved by the AER.

Rule 93 does not allow revenue allocation based on past revenue splits. DBP is required to undertake an allocation of costs between Reference and non-Reference Services using a reasonable cost allocation methodology reflective of Rule 93(2). Given the very different nature of some of the non-Reference Services, a separate allocation is required for each of them so that they are cost reflective.

The ERA should require DBP to undertake cost allocation between Reference and non-Reference Services in accordance with Rule 93(2) and its approved cost allocation methodology, so that Reference Services are and non-Reference Service tariffs are cost reflective.

## Question 14

*DBP has forecast a 20 per cent increase in its operating expenditure for AA6 (compared to its actual operating expenditure for AA5). DBP's forecasting approach and justification for this increase is detailed in chapter 8 of its Final Plan. Are there any specific considerations that you think the ERA needs to be aware of when assessing DBP's forecast operating expenditure for AA6? If yes, please provide details of the considerations, including any impacts they may have on the access arrangement (for example, tariff impacts).*

### Response:

NewGen agrees with DBP's use of the base-step-trend approach for opex forecasting in the AA6 period. However, a 20% increase in forecast opex is substantial and the ERA must investigate in detail all cost categories to determine whether the proposed increases are appropriate.

DBP's arguments about significant cost pressures during the AA5 period that are flowing through to its AA6 base year forecast should be rigorously tested by ERA on prudency and efficiency grounds. Whether the forecast cost increases are prudent and efficient can only be properly assessed by particularly closely examining the base year and all proposed adjustments to it and the proposed step changes.

The following table comprises our comments on the various opex elements.

| Cost category | Comments |
|---|---|
| **Base year** | The selection of 2024 as base year would normally be the most appropriate year and use of reported opex in place of the budget/forecast value. However, we note the trend in controllable opex over AA5 is increasing rather than reducing. The ERA should satisfy itself that in fact 2024 is the appropriate base year, by getting a detailed breakdown of DBP's "controllable" opex over the period including explanations for the increases and an explanation of variances between the AA5 forecast and AA5 actuals. |
| **Base year adjustments** | |
| Wages and salaries | The ERA should interrogate each of the elements of the increase in the box on page 75 of DBP's AAI to confirm whether these should be assessed as step changes not base year adjustments. |
| Consulting | The use of average historic actual expenditure is sound. However, the ERA should investigate whether this has been consistent practice in DBP's prior AA submissions. If not, it should determine if a change to this methodology would lock in historic overestimates. |
| IT | It is essential that the ERA determine if there is any double counting between the base year adjustment and the proposed step change for IT. It must also investigate if the elements in wages and salaries claimed are not already included in the base year. |
| Insurance | It is essential that the ERA determine if there is any double counting between the base year adjustment and the proposed step change for insurance. It must also investigate if the increase in wages and salaries claimed are not already included in the base year |
| Government charges | The ERA should confirm that government charges will increase in real terms between AA5 and AA6. |
| **Step changes** | |
| Insurance | The ERA should confirm the basis for DBP's forecast for the insurance step change |
| IT (SaaS, PaaS, data centre outsourcing) | The ERA should validate DBP's forecasts for the forecast costs and ensure that there is a demonstrated commensurate capex benefit (saving). In other words, this step change entails a capex/opex trade-off that should be demonstrated as being in the long term interests of gas users. |
| New recurrent IT | To be accepted, the ERA must review the business cases for this step change to satisfy itself that the most prudent option has been chosen and that there is a quantified net benefit. We would expect the net benefit would be decreased opex in other categories that should offset this new set of costs. |
| New recurrent cybersecurity | To be accepted, the ERA must review the business case for this step change to satisfy itself that the most prudent option has been chosen and that there a quantified net benefit is demonstrated. |
| **Non-recurrent or variable opex** | |

| | |
|---|---|
| SUG | DBP's basis for its forecast of SUG is reasonable. We assume that DBP is best placed to estimate SUG quantities. However, the ERA should satisfy itself that the gas price and quantity assumptions are soundly based. |
| Overhauls | DBP's basis for the forecast cost of overhauls is reasonable, as this cost category has decreased in real terms. We consider that the ERA should perform a comparison on numbers of overhauls and unit costs between AA5 period and forecast for the AA6 period. |
| Inspections and asset management | DBP's basis for the forecast cost of inspections is reasonable, as this cost category has decreased in real terms However, we consider that the ERA should review the cost estimates for reasonableness by comparing costs incurred during AA5 period and forecast for AA6 period. |

## Question 15

*DBP is forecasting an overspend of its approved operating expenditure allowance for AA5. While there is no ex-post assessment of operating expenditure under the regulatory framework, DBP's actual operating expenditure for AA5 is still an important consideration when assessing DBP's forecast expenditure for AA6. Are there any circumstances relating to DBP's AA5 (actual) operating expenditure that should be considered when assessing DBP's proposed base year costs that are used to forecast operating expenditure for AA6? If yes, please provide details of the circumstances, including any impacts they may have on the assessment of DBP's operating expenditure forecast for AA6.*

### Response:

NewGen raised several issues of concern for ERA's consideration regarding DBP's opex forecast for the AA6 period in our response to Question 14 above.

## Question 16

*The capital expenditure incurred by DBP in AA5 must be assessed as conforming expenditure before it can be added to the capital base. Are there any circumstances relating to DBP's AA5 capital investment that should be considered when assessing the expenditure for inclusion into the capital base? If yes, please provide details of the circumstances, including any amounts of expenditure that you consider to be non-conforming.*

### Response:

NewGen is not able to assess whether historic AA5 capex meets the criteria in Rule 79 of the NGR. This would require us to undertake a comparison between AA5 forecast capex and actual capex and determine the prudency and efficiency of the actual capex. This is analysis that the ERA should undertake as part of its assessment of the AA6 AAI.

To streamline the process the ERA, it should perform the comparison between forecast and actual AA5 capex at the category level. For categories or projects where the actual capex is materially greater than forecast, it should undertake a thorough review of DBP's business cases and project close-out reports. In this regard we note the cost of those projects or capex categories were materially greater than forecast as set out in the table below.

| Capex category | Forecast ($ million) | Actual ($ million) | Review of business case required |
|---|---|---|---|
| **Communications infrastructure** | 36.6 | 39.5 | No |
| **Compressor stations** | 40.3 | 39.9 | No |
| **Meter stations** | 9.4 | 18.7 | Yes |
| **Pipeline and MLV** | 10.0 | 14.9 | Yes |
| **Compressor unit controls** | 16. | 20.0 | Yes |
| **IT** | 51.4 | 22.6 | Yes |

## Question 17

*The capital expenditure forecast by DBP for AA6 must be assessed as forecast conforming expenditure before it can be added to the projected capital base. Are there any circumstances relating to DBP's forecast AA6 capital investment that should be considered when assessing the expenditure for inclusion into the projected capital base? If yes, please provide details of the circumstances, including any amounts of expenditure that you consider to be non-conforming.*

### Response:

We note that DBP's capex program for AA6 of $288 million is 36% greater than the forecast actual estimate for AA5 of $212 million. Given this proposed increase, the ERA must be thorough in its assessment of each category of capex. Categories where AA6 forecasts are materially greater than AA5 are shown in the table below:

| Capex category | AA5 forecast/actual ($million) | AA6 forecast ($ million) |
|---|---|---|
| **Meter stations** | 18.7 | 32.6 |
| **Operational technology** | 2.4 | 24.8 |
| **Structures and operational sites** | 2.4 | 27.3 |
| **Jandakot Facility redevelopment** | 3.2 | 34.6 |
| **Power generation and management** | 5.9 | 35.0 |
| **IT security** | 2.0 | 7.6 |

We make the following observations about the AA6 forecast capex.

(a) The application of an economic end-of-life assumption to DBP's assets suggests that additional scrutiny should be applied to any forecast capex with a technical life that exceeds the shorter economic life assumption. Any such capex should be required to demonstrate a material net benefit to users, recognising that accelerated depreciation will be applied to these assets.

(b) DBP's three methods for cost estimation described in section 9.4.2 reflect industry best practice. We recommend the ERA ensure that it is aware which estimating method is being applied by DBP to each category of capex and that it is done appropriately.

(c) DBP's categorisation of capex as business-as-usual or expansion capex is sound.

(d) We note that DBP has business cases for a majority, if not all, of the capex categories. ERA should thoroughly review these to ensure that:

(i) There is a clearly established need for the expenditure aligned with robust capex drivers.

(ii) DBP has considered all reasonable and plausible options for responding to the need, including opex solutions.

(iii) DBP has undertaken a quantified cost-benefit analysis.

(iv) DBP has considered opex-capex trade-offs and negative opex step changes where the justification for the capex is primarily an opex reduction. We note in this regard that some of the IT capex projects are justified based on business efficiency improvements, including moving from paper-based systems to IT based solutions.

(v) DBP's cost forecasts are best estimates on a reasonable basis.

## Question 18

*Do you agree with DBP's proposal to keep the E Factor for AA6, including DBP's proposed amendments to the provisions for the E Factor in clause 15 of the proposed access arrangement? In answering this question, please provide reasons to explain why you agree/disagree?*

### Response:

NewGen does not agree that the inspections and other asset management expenditure category should be excluded from the E factor scheme. We do not accept DBP's argument that this expenditure is generally non-recurrent and outside its control. While external events may have some influence on this category of expenditure, inspections and asset management are fundamental pipeline owner responsibilities over which DBP can exert significant control.

The other proposed revisions to the E Factor scheme appear to be sensible drafting simplifications. There is one typographical error at Clause 15.2 (c) which refers to Clause 15.11, which has been deleted. The reference should be to Clause 15.9.

## Question 19

*DBP's proposed reference and non-reference services for AA6 are consistent with the reference service proposal approved by the ERA in July 2024. Has there been any changes in circumstances that affect this decision? That is, should there be any changes to the reference and/or non-reference services to be offered under the access arrangement for AA6?*

**Response:**

NewGen is not aware of any changes in circumstances that affect ERA's Reference Service decision in July 2024.

## Question 20

*For AA6, DBP has proposed to re-classify the Pilbara Service from a non-reference service to a rebateable non-reference service. As a rebateable service, part of the revenue from the Pilbara Service will be rebated (refunded) back to reference service users through an adjustment to DBP's revenue requirement, and consequently, the reference tariffs charged by DBP. Do you support DBP's proposal to make the Pilbara Service a rebateable non-reference service for AA6? In answering this question, please provide details that explain and support your position.*

**Response:**

DBP claims that there is sufficient evidence that demand for the Pilbara service is sufficiently uncertain to make the Pilbara Service rebateable. However, the AAI provides no supporting evidence and is simply an assertion.

The ERA must require DBP to provide the supporting evidence for the proposed change and make it publicly available. In addition, it should consider reducing the rebate sharing ratio from 70:30 to 90:10 (after allowing for a share of DBP's common costs). The 70:30 rebate sharing incentivises DBP to expand its rebateable service range. As already identified in our response to Issue 9 above, in applying the 70:30 sharing ratio, DBP reduces its demand forecasting risk and increases its unregulated returns.

## Question 18

*DBP has proposed numerous amendments to the terms and conditions for each reference service (T1, P1 and B1 Services).*

*a. Do you agree with DBP's proposed amendments? In answering this question, please provide reasons to explain why you agree/disagree with the proposed amendments.*

*b. Are there any other amendments to the terms and conditions that you consider necessary? If yes, please* *provide details of the amendments, including your reasons for the amendments and your proposed amended provisions.*

**Response:**

Newgen has no comment on this question at this time.

## Question 22

*Apart from a minor consequential amendment in clause 5.4(k) of the access arrangement, clauses 5.4, 6, 7, and 8 of the access arrangement remain unchanged from AA5. These clauses cover provisions for queuing, extensions and expansions, capacity trading, and receipt and delivery points as required by the NGR. Do you agree with DBP's proposal to leave these provisions unchanged? If no, what changes to these provisions should be considered for AA6 and why?*

**Response:**

NewGen has not identified anything in clauses 5.4, 6, 7, and 8 that from a user's perspective that is materially problematic. The one minor matter is that clause 5.4(h) does not include delivery by email for Access Requests.

## Question 23

*DBP has highlighted proposed amendments to various clauses of the access arrangement in a marked-up version of the document and Final Plan, Attachment 15.5.*

(a) *Do you agree with DBP's proposed amendments? In answering this question, please provide detailed reasons to explain why you agree/disagree with the proposed amendments.*

(b) *Are there any other amendments to the access arrangement provisions that you consider necessary? If yes, please provide details of the amendments, including your reasons for the amendments and your proposed amended provisions*

**Response:**

Newgen has not identified any amendments that are problematic in the proposed changes to the Access Arrangement, apart from the matter identified in respect of Issue 8 (above): specifically, that costs incurred in response to the Safeguard Mechanism are verified by the ERA to ensure that they are DBP's incremental incurred costs arising as a result of the Safeguard Mechanism and would not have been incurred otherwise.

NPK looks forward to further engaging with the ERA on the Final Plan. Should you have any queries in relation to the above feedback please email [redacted]

Yours sincerely

[redacted]

Bobby Ditric
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