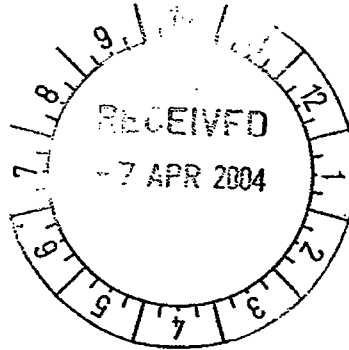


Ref: GR-ST.NL-0033
C/f:

8 April 2004



**SOUTHERN CROSS
PIPELINES**
AUSTRALIA PTY LIMITED

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

COPY

Dear Mr Rowe

**KAMBALDA LATERAL (WA: PL 27)
EXTENSION OF TIME TO SUBMIT AN ACCESS ARRANGEMENT**

The Regulator's notice of the 24 May 2002, granted Southern Cross Pipelines Australia Pty Ltd (SCPA) an extension of time with respect to the requirement to lodge an Access Arrangement for the Kambalda Lateral. This extension is due to expire on the 1 July 2004.

SCPA advises that the past extension has been effective in avoiding unwarranted (and hence, inefficient) expenditure during which time the Esperance Power Project and the associated gas pipeline from Kambalda to Esperance has been negotiated, built and now operating, evidence that third party access has been successfully negotiated without the need for regulatory intervention.

It should be noted that the circumstances that particularly affect third party access to the Kambalda Lateral, have altered little since the present extension was granted and is unlikely to change in the near future.

Under these circumstances, SCPA requests approval for a further two year extension to the requirement to lodge an Access Arrangement for the Kambalda Lateral. This extension, would be in accordance with the terms and conditions as currently stipulated which allow for an extension of the earlier of either two years (in this case being from 1 July 2004) or a date which is 90 days after the date on which a User or Prospective User who has been unable to reach successful negotiations and approaches the Regulator to seek access to this pipeline.

In the meantime, it is anticipated that any issues that may arise should a bona fide prospective user seek access to the Kambalda Lateral, will be dealt with as expeditiously and efficiently as has been demonstrated in the absence of an Approved Access Arrangement.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Greg Rendavey'.

Greg Rendavey
Commercial Manager