

Media Statement

18 December 2025

Dampier Bunbury Pipeline final decision

The Economic Regulation Authority has <u>published its final decision for the access arrangement for the Dampier to Bunbury Natural Gas Pipeline</u>, which is one of the largest natural gas transmission pipelines in Australia.

The Dampier to Bunbury Natural Gas Pipeline (DBNGP) takes gas from the major producers in the North-West down the coast to Perth and Bunbury, supplying gas-fired electricity generators and major industry, and connecting to ATCO's distribution network to supply households across the South-West.

The DBNGP is operated by Dampier Bunbury Pipeline (DBP), a subsidiary of the Australian Gas Infrastructure Group.

Under the ERA's final decision, the average tariff will increase by 33 per cent on 1 January 2026 in a single step change, then is expected to remain relatively flat over the remaining four years of the access arrangement. The increase in tariffs is driven largely by inflation and a higher rate of return.

DBP's haulage reference tariffs are paid by its customers, which are large producers and purchasers of gas. The State Government sets the maximum amount that households can be charged for their gas. Transmission costs make up between 5 and 10 per cent of the average household gas bill.

The ERA has carefully scrutinised DBP's proposed operating expenditure on the pipeline for the next five years, cutting it by \$45.1 million from DBP's initial proposal, which has helped to mitigate tariff increases.

The new access arrangement will take effect on 1 January 2026.

The ERA's final decision is available on our website.

Comments attributed to ERA Chair Steve Edwell:

"Our scrutiny of DBP's proposed access arrangement has taken place during a period of considerable uncertainty for the future of natural gas use."

"Long-term, gas use is expected to decline as both state and federal governments plan for a netzero emissions future."

"However, the timing and pace of this decline is unclear. Current gas demand remains strong, and there is the possibility for growth through the development of onshore gas fields in Western Australia."

"Our role is to ensure that, as much as possible, expenditure on the pipeline is prudent, efficient, and appropriate to the point we are in time."

"After consulting with stakeholders, we elected to implement the increase in tariffs in a single step, which results in a more stable price path and lower actual tariffs in the out-years than smoothing the increase over five years."

Background

The ERA regulates access to three gas pipeline networks in Western Australia. Every five years, those pipeline operators submit an access arrangement proposal to the ERA for approval.

An access arrangement sets out the terms and conditions, including prices, under which third-party users like gas retailers and large mining operators can access the network to transport and receive gas.

DBP submitted its proposal on 2 January 2025, for the access period 1 January 2026 to 31 December 2030.

The ERA published a draft decision for consultation on 7 July 2025.

About the ERA

The ERA is Western Australia's independent economic regulator. We aim to benefit all Western Australians by promoting strong economic outcomes through effective regulation and decision making. We strive to make sure current and future consumers pay no more than necessary for safe and reliable utility services.

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