

Our Ref: C2002/1134
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Moomba to Sydney Pipeline – Proposed Access Arrangement

The Australian Competition and Consumer Commission (the Commission) is currently assessing East Australian Pipeline Ltd's (EAPL's) proposed access arrangement for the Moomba to Sydney Pipeline System (MSP) in accordance with the *National Third Party Access Code for Natural Gas Pipeline Systems*. As a part of this process, the Commission is seeking comments from interested parties on EAPL's recent submission of revised volume forecasts by no later than 31 July 2003.

Background

In May 1999, EAPL submitted a proposed access arrangement to the Commission with the following volume forecasts.

2001	2002	2003	2004	2005
99.4	89.8	91.4	89.9	97.9

In May 2002, EAPL submitted revisions to its proposed access arrangement including the following revised volume forecasts.

2003 / 04	2004 / 05	2005 / 06	2006 / 07	2007 / 08
88.69	96.70	109.91	125.14	130.39

On 30 January 2003, EAPL foreshadowed that it would be reviewing its volume forecasts for the MSP following the announcement by AGL regarding its new portfolio of gas supply arrangements. A final copy of the revised forecasts along with a consultancy report from ACIL Tasman was then submitted to the Commission on 12 May 2003.

2003 / 04	2004 / 05	2005 / 06	2006 / 07	2007 / 08
95.4	92.4	93.6	93.2	90

In a subsequent letter to the Commission, EAPL pointed out that that the:

- "revisions are substantial, representing a 35% reduction" (over the period to 2023); and
- "revised forecasts have considerable impact on the determination of Reference Tariffs".

The Commission is now seeking the views of interested parties on the revisions to the volume forecasts and the implications for reference tariffs. A copy of the ACIL Tasman review along with an extract from EAPL's revised Access Arrangement Information is attached for your information.



Moomba Sydney ACIL Tasman Final
Pipeline Revised... Report - Pub...

Lodging a submission

Submissions should be lodged with the Commission by 31 July 2003. They should be in writing and, where possible, be supplied in electronic format compatible with Microsoft Windows XP/Office 2002. Electronic copies of submissions can be emailed to katherine.lowe@acc.gov.au. They will be made available and placed on public registers held by the Commission and the Code Registrar. Any information considered to be of a confidential nature should be clearly marked as such, and the reasons for seeking confidentiality should be provided. Under the terms of the Code, the Commission must not disclose such information unless it is of the opinion that disclosure would not be unduly harmful to the legitimate business interests of the service provider, a user or a prospective user. Copies of the Commission's Draft Decision, EAPL's revised access arrangement, EAPL's revised access arrangement information and other related documents can be downloaded from the Commission's website (<http://www.acc.gov.au> under 'Gas').

Submissions should be addressed to:

Mr Russell Phillips
Acting General Manager
Regulatory Affairs - Gas
Australian Competition and Consumer Commission
PO Box 1199
Dickson ACT 2602

Any inquiries on this matter should be directed to Katherine Lowe (phone 02 9230 9182) or Nicole Moffatt (phone 02 9230 9115).

Yours sincerely

Katherine Lowe