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Contact Officer: Henryk Smyczynski Contact Phone: (02) 9230 9137

14 September 2010

Mr Peter Williams Acting General Manager Regulatory Affairs and Revenue Systems Country Energy Gas Pty Ltd GPO Box 718 QUEANBEYAN NSW 2620

Dear Mr Williams

Variation to Country Energy's Wagga Wagga gas distribution access arrangement

I write in relation to the Country Energy Gas Pty Ltd (Country Energy Gas) request of 3 August 2010 to vary the approved access arrangement for the Wagga Wagga gas distribution network.

After consideration of Country Energy Gas's proposed amendments of 3 August 2010 the AER approved the reduction in the opening value of the taxation asset base for an intangible amount of \$14.2 million. The AER encloses a copy of its decision, the varied access arrangement (including the terms and conditions and access arrangement information) which can also be found on the AER's website: www.aer.gov.au. The AER notes that Country Energy Gas should also update its website for the variation in its access arrangement.

The AER also considers that Country Energy Gas should inform all the users and prospective users of the Wagga Wagga gas distribution network of the variation to the access arrangement.

If you have any issues regarding this matter please feel free to contact Henryk Smyczynski on 02 9230 9137.

Yours sincerely

W. J. Anderson

Warwick Anderson General Manager Network Regulation North Branch