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Our Ref:

C1999/3

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**3** July 2001

Mr Mick McCormack General Manager - Commercial Australian Pipeline Trust PO Box 934 MASCOT NSW 2020

Dear Mr McCormack

## ACCESS ARRANGEMENT FOR THE MOOMBA TO SYDNEY PIPELINE SYSTEM

Thank you for your letter of 14 June 2001 addressed to Ms Kanwaljit Kaur concerning East Australian Pipeline Ltd's (EAPL) proposed access arrangement for the Moomba to Sydney Pipeline (MSP).

The Commission has considered the issues you have raised and your request that the Commission postpone release of its Final Decision on the proposed access arrangement pending resolution of the application for revocation of coverage of part of the MSP which EAPL has lodged with the NCC. In particular, the Commission notes that, if the revocation application is successful, EAPL would need to submit revised access arrangements for approval with respect to those laterals that remain covered.

The Commission agrees that it is appropriate to postpone release of the Final Decision. The Commission, however, does not consider that its decision should be open-ended and has made its decision subject to a review in six months.

It should not be construed from this decision that the Commission supports or otherwise EAPL's application for revocation of part of the MSP, nor should it be construed that the Commission is anticipating the outcome of EAPL's application for revocation.



While the National Gas Code contains no formal provision for the Commission to 'stop the clock', it does contain provision (section 2.22) for the Commission to extend the time period by up to two months on one or more occasions. It is on this basis that postponement of the *Final Decision* will be effected.

The Commission notes EAPL's commitment that in the meantime it will offer third party access in accordance with current published tariffs. The Commission also notes your willingness to continue to liaise with ACCC staff with respect to non-tariff issues raised in the *Draft Decision* and appropriate pricing for the laterals that would remain covered (in the event that EAPL's application for revocation is successful).

If you have any inquires in this matter, please contact John Bastick on 02 6243 1364.

Yours sincerely

Alan Market

Professor Allan Fels AO

Chairman