

From: smdureau@agl.com.au

Sent: Thursday, 28 February 2002 8:18 AM

To: Megan.Window@ACCC.GOV.AU

Subject: TRIM:NT Gas Ringfencing Waiver Application

Megan

NT Gas welcomes the proposal in the Commission's Draft Decision to waive compliance with sections 4.1(h) and (i).

The only comment which NT Gas wishes to make on the Draft Decision relates to the costs of compliance. On page 7, the Draft Decision suggests that the costs of complying are those of obtaining marketing services from external consultants. Given the size and the structure of NT Gas, it is not feasible to re-distribute the duties of the staff of NT Gas in such a way as to ensure that marketing staff of NT Gas do not provide any services to NTGD. Accordingly, the costs of compliance will be the costs of obtaining external marketing services for both companies. Given the Code would prohibit the same consultant undertaking work for both NT Gas and NTGD, those costs would have to be the costs of obtaining services from separate consultants.

NT Gas does not agree that the costs estimated by GSN are reflective of the likely costs which would be incurred by each of NT Gas and NTGD obtaining services from external consultants -- as submitted previously, GSN is not a comparable business, and the GSN marketing costs do not reflect the higher costs of obtaining consultancy services in Darwin. However, given the

proposal to waive compliance with the requirements, NT Gas will not provide further information or submissions on this matter unless the Commission requires it to do so

Please do not hesitate to contact me if you require any further information from NT Gas.

Regards

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