



6 July 2004

Mr. M. Walsh
Director, Gas Group
Regulatory Affairs Division
Australian Competition and Consumer Commission
GPO Box 3648
SYDNEY NSW 2001

Dear Michael

Guidelines for Regulatory Reporting by Gas Pipeline Service Providers

Thank you for extending VENCorp the opportunity to respond to the Commission's draft guidelines for regulatory reporting by gas pipeline service providers.

VENCorp supports the draft guidelines proposed by the Commission. We believe that the guidelines present a pragmatic and sensible approach to reporting by all service providers.

We further urge the Commission to be cautious if consideration is to be given to allowing special cases for application of the guidelines to particular service providers. The greatest benefits from the guidelines will be obtained where they are applied consistently, to ensure consistent reporting and adequate disclosure across all service providers in the nation. It is our view that the approach proposed in the draft guidelines is both reasonable and appropriate as a minimum set of requirements for a national framework, and therefore should not be the subject of extensive negotiation at time of approval of a Regulatory Accounting Manual for a service provider.

VENCorp notes that the specific audit requirements of the guideline may marginally increase our costs, in order to obtain the sign-off from our auditors in the required format, but accept the requirement as reasonable, and can advise that we do not intend to increase our tariffs to cover this cost. We are of the view that the costs of this approach are insignificant compared to the benefits that we expect to arise as the Commission applies consistent requirements across the nation for reporting and disclosure of all relevant information by service providers.

Yours sincerely

Craig Price
Manager, Market Development