

# Economic Regulation Authority's revised access arrangement determination for the Dampier to Bunbury Natural Gas Pipeline

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Economic Regulation Authority

WESTERN AUSTRALIA

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## Introduction

1. On 1 April 2010, DBNGP (WA) Transmission Pty Ltd (**DBP**) submitted to the Economic Regulation Authority (**Authority**) an access arrangement revision proposal for the Dampier to Bunbury Natural Gas Pipeline (**DBNGP**) for approval by the Authority under the *National Gas Access (Western Australia) Act 2009* (**NGA**).
2. On 14 March 2011, the Authority made a draft decision to not approve the access arrangement revision proposal. The draft decision included a statement of the reasons for the decision and set out 109 amendments to the proposed revised access arrangement that would be required before the Authority would be prepared to approve the access arrangement revision proposal.
3. On 18 April 2011, DBP submitted revisions to the access arrangement revision proposal. On 20 May 2011, 11 August 2011 and again on 8 September 2011, DBP submitted further revised versions of the access arrangement proposal that incorporated corrections to several errors in the reference tariff calculation. This included corrected versions of the access arrangement, access arrangement information and tariff model.
4. On 31 October 2011 the Authority made a final decision to not approve the revised access arrangement proposal as submitted by DBP on 8 September 2011. The final decision included a statement of the reasons for the decision and set out 73 amendments that the Authority required to be made to the revised access arrangement proposal.
5. In a notice issued by the Authority on 1 December 2011, the Authority gave notice of its intention to amend its final decision under clause 20 of Schedule 2 to the NGA. The Authority also invited submissions on its proposed amendments, which related to the forecast of operating expenditure, the extension and expansion requirements and correction of minor and inconsequential errors of fact in the final decision.
6. Under rule 64 of the National Gas Rules (**NGR**), if the Authority makes a final decision to not approve an access arrangement proposal, the Authority must itself propose an access arrangement or revisions to the access arrangement (as the case requires). The Authority is also required to make a decision giving effect to its proposed access arrangement revisions within two months of the issue of the final decision. This document constitutes that decision.

## Authority's Access Arrangement Revisions

### Legislative Requirements

7. Rule 64 of the NGR states:
  - 64 [Authority's] power to make or revise access arrangement on refusing to approve an access arrangement proposal
  - (1) If, in an access arrangement final decision, the [Authority] refuses to approve an access arrangement proposal (other than a variation proposal), the [Authority] must

itself propose an access arrangement or revisions to the access arrangement (as the case requires) for the relevant pipeline.

- (2) The [Authority's] proposal for an access arrangement or revisions is to be formulated with regard to:
  - (a) the matters that the Law requires an access arrangement to include;
  - (b) the service provider's access arrangement proposal; and
  - (c) the [Authority's] reasons for refusing to approve that proposal.
- (3) The [Authority] may (but is not obliged to) consult on its proposal.
- (4) The [Authority] must, within 2 months after the access arrangement final decision, make a decision giving effect to its proposal.
- (5) Where the [Authority] makes a decision under this rule, it must:
  - (a) give a copy of the decision to the service provider; and
  - (b) publish the decision on the [Authority's] website and make it available for inspection, during business hours, at the [Authority's] public offices.
- (6) The access arrangement or the revisions to which the decision relates takes effect on a date fixed in the determination or, if no date is so fixed, 10 business days after the date of the decision.'

## Decision

8. The Authority proposes revisions to the access arrangement for the DBNGP in accordance with rule 64(2) of the NGR. The proposed revisions are set out in the Revised Access Arrangement for the Dampier to Bunbury Natural Gas Pipeline Document, which is published separately to this document.
9. Pursuant to rule 64(4) of the NGR, the Authority hereby gives effect to the proposed revisions to the access arrangement.
10. Pursuant to rule 64(6) of the NGR, the revisions to the access arrangement will take effect from 1 January 2012.