



Western Australia

Economic Regulation Authority

NOTICE

RATE OF RETURN METHODOLOGIES AND PRACTICES

RESPONSE TO PUBLIC SUBMISSIONS

On 31 December 2003, the Western Australian Independent Gas Pipelines Access Regulator (Regulator) published a discussion paper that he had commissioned from the Institute for Research into International Competitiveness (IRIC) entitled "Review of Rate of Return Methodologies and Practices".

Public submissions were invited on the IRIC paper with the submission period closing on 27 February 2004. Seven submissions were received and have been placed on the Economic Regulation Authority's (Authority) website. The Authority, which was established in early 2005, is now the Regulator.

The Authority considered that the issues raised in the submissions warranted a response which has today been published on the Authority's web site at www.era.wa.gov.au/publicConsultations.cfm. Printed copies are also available directly from the Authority at a cost of \$10.00 per copy. Requests for the printed copies can be made to Mr Peter Rixson at the address below.

As the IRIC report was completed in 2003, it preceded the publication of the Productivity Commission's 2004 draft report on its review of legislation relating to third party access to gas pipelines in Australia. The Authority's response includes comments on issues raised in the Productivity Commission's final report.

Commissioning of the IRIC discussion paper and the subsequent public submission process was undertaken pursuant to clause 2.1 of the *National Third Party Access Code for Natural Gas Pipeline Systems*.

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