

4/53/8-P1  
David Randle  
9486 3240

24 August 2000

Mr Mike Jansen  
Office of Gas Access Regulation  
Level 6, Governor Stirling Tower  
197 St George's Terrace  
Perth WA 6000

Dear Mr Jansen

**Submission Concerning Application for Waiver of Ring Fencing Requirements for the Parmelia Pipeline**

This letter is in response to a Notice dated 18 August 2000 (the "Notice") from the Office of Gas Access Regulation seeking submissions on the Regulator's Draft Decision to not issue a waiver of ring-fencing requirements for the Parmelia pipeline. This letter is the submission from AlintaGas Sales Pty Ltd ("AlintaGas") in response to that Notice.

AlintaGas supports the Regulator's Draft Decision and opposes the Regulator granting a conditional waiver, as contemplated in the Notice.

In his Draft Decision, dated 22 May 2000, the Regulator supported the arguments made by AlintaGas in AlintaGas's submission dated 8 May 2000. The reasons for the Regulator not granting a waiver of the ring fencing requirements for the Parmelia pipeline are:

- the Parmelia pipeline is a significant pipeline;
- the Parmelia pipeline has the potential to be associated with new gas market developments in Western Australia;
- the ring fencing arrangements would not impose a burden that outweighs the public benefit; and

- the ring fencing arrangements should engender public confidence that confidential information is used appropriately.

AlintaGas fully supports the Regulator's reasons for not granting a waiver of the ring fencing requirements for the Parmelia pipeline, reasons that can readily be justified by an assessment of the gas market and the significant role the Parmelia pipeline plays in that market.

As a result, AlintaGas can see no justification for a conditional waiver of the ring fencing requirements for the Parmelia pipeline. The proposals contemplated by the Regulator in his Notice, if implemented, would significantly reduce the effectiveness of the National Access Code's ring fencing requirements.

AlintaGas would welcome the opportunity to provide further input and comment on this Submission. As such, please feel free to contact either myself on 9486 3220 or David Randle on 9846 3240 if we can be of further assistance.

Yours sincerely

**Jim Hennessy**  
**Manager Gas Supply**

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