

OFFICE OF GAS ACCESS REGULATION

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NOTICE

DRAFT DECISION FULL RETAIL CONTESTABILITY COSTS ALINTAGAS NETWORKS PTY LTD

I have today issued my Draft Decision on the proposal by AlintaGas Networks Pty Ltd (“AGN”) that seeks my agreement, under section 8.21 of the *National Third Party Access Code for Natural Gas Pipeline Systems* (“Code”), that the costs of developing systems associated with the introduction of Full Retail Contestability (“FRC”) in Western Australia meet the requirements of section 8.16 of the Code. The effect of my agreement of these costs would be to bind my decision when AGN’s Access Arrangement is reviewed.

After considering AGN’s application, the submission received, advice from technical consultants, and the relevant terms of the Code, I have agreed that the capital costs proposed by AGN for the implementation of a Network Management Information System to a maximum of \$12 million will meet the requirements of section 8.16 of the Code.

In its application, AGN also requested that I provide a non-binding acknowledgement that FRC-related non capital costs estimated at about \$1.3 million per annum are likely to satisfy the requirements of section 8.37 of the Code. Although the technical consultant, Evans and Peck, has agreed that the non capital costs proposed by AGN are reasonable, the Code does not give me discretion to provide any approval of the non capital costs at this time. I am therefore of the view that it would be inappropriate in the circumstances for me to provide a non-binding acknowledgement that such costs would be likely to satisfy section 8.37 of the Code.

Available Documentation

Copies of the Draft Decision are available at no cost from the Office of Gas Access Regulation (OffGAR) web site (www.offgar.wa.gov.au). Printed copies of the documentation are available directly from OffGAR for \$10.00 per copy. Requests for the document can be made to:

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Invitation to Comment

I now invite submissions on the Draft Decision, which should be in both written and electronic form and addressed to Mr Robert Pullella as above. Please note that submissions must be received by 5:00 pm on Tuesday 9 September 2003 Western Standard Time.

In general, all submissions from interested parties will be treated as in the public domain and placed on the *OffGAR* web site. The receipt and publication of any submission lodged for the purposes of the Code shall not be taken as indicating that the Regulator has formed an opinion as to whether or not any particular submission contains any information of a confidential nature.

Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission in respect of which confidentiality is claimed. Any claim of confidentiality will be considered in accordance with the provisions of section 7 of the Code.

KEN MICHAEL
GAS ACCESS REGULATOR

25 August 2003