



**SUBMISSION 35: Response to ERA Information Request
of 28 October 2010**

CONFIDENTIAL

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DBNGP (WA) Transmission Pty Limited
ABN 69 081 609 190
Level 6, 12-14 The Esplanade
Perth WA 6000

Contact: Trent Leach, Manager Regulatory and Government Policy
Telephone: 08 9223 4357
Email: trent.leach@dbp.net.au

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1. INTRODUCTION

- 1.1. On 28 October 2010, the Economic Regulation Authority (**ERA**) requested further information pertaining to non reference pipeline service revenue and costs related to the provision of these pipeline services. The request is outlined below:

Thank you for your recent submission 33 regarding revenue from non-reference services in which you state that historical information is not required to be provided. In your Submission 15 you stated that the total income associated with non-reference services outlined in Submission 3 for the period of 2004-08 was less than \$10 million. It is understood that DBP forecast that the revenue from non-reference (all existing non-reference services and all new proposed non-reference services, including the current reference services, T1, P1 and B1, that you propose to convert to non-reference services) will be zero. Given that all existing reference services are proposed to be non-reference services, it would seem likely that such revenue associated with non-reference services could increase significantly.

R. 74 and r. 75 provide certain requirements for 'forecasts and estimates', and 'inferred or derivative information'. The Authority is required to assess the allocation of revenue and costs (r. 93) to determine whether reference tariffs meet various requirements under the law including the national gas objective (including pursuant to s. 28 of the Law). To enable the Authority to effectively assess DBP's proposed revisions the Authority reiterates its request for supporting information in relation to forecast revenue from non-reference services. Details of the historic non-reference service revenue will assist the Authority in assessing whether the forecast/estimated non-reference service revenue has been determined in accordance with r.74(2), including where such forecasts are proposed to be a nil value.

As such, your assistance in completing all the indicated fields (green colour) in the attached spreadsheet by Monday, 8 November 2010 would be appreciated. The spreadsheet requests historical (AA2) forecast (2005-2010), historical (AA2) actual (2005-2010), current (AA3) forecast (2011-2015) revenue for each individual non reference service. In addition, we have included an option to include historical (AA2) forecast (2005-2010), historical (AA2) actual (2005-2010) and current (AA3) forecast (2011-2015) costs, in the event that you have additional cost associated with delivering non-reference services that are not included in the submitted regulated cost.

- 1.2. A copy of the spreadsheet referred to in the ERA's request is included in **Attachment 1**.
- 1.3. This submission addresses the ERA's request as follows:
- (a) Section 2 contains further submissions on the issue of the relevance of actual and forecast revenue to the performance of the ERA's statutory powers and functions in assessing the access arrangement proposal for the DBNGP.
 - (b) Section 3 clarifies the issue of what are non reference pipeline services for the purposes of the DBNGP access arrangement.
 - (c) Section 4 explains the basis of the DBNGP revenue information contained in the DUET reports.
 - (d) Section 5 explains DBP's approach to the completion of the spreadsheet that was attached to the ERA's request.
 - (e) Section 6 explains the issue of the allocation of costs to the provision of non reference pipeline services

2. THE RELEVANCE OF HISTORICAL AND FORECAST REVENUE TO THE PERFORMANCE OF THE ERA'S STATUTORY POWERS AND FUNCTIONS

- 2.1. DBP maintains its prior submissions that, subject to the exception outlined in paragraph 2.2, historical and forecast non reference pipeline service revenue is not relevant to:
- (a) the content of the access arrangement proposal;
 - (b) the process for the assessment of the access arrangement revisions; or
 - (c) any of the criteria for assessing any aspect of the access arrangement or access arrangement information.
- 2.2. The exception to this relates to capital contributions from shippers in relation to pipeline services that are classified as non reference pipeline services, the expenditure for which is proposed to be included in the capital base as conforming capital expenditure.
- 2.3. In submission 33, DBP requested the ERA to outline the provisions of the NGR that justify the request for non reference service revenue.
- 2.4. In the ERA's request and in prior correspondence with DBP, the ERA appears to rely on the following provisions of the NGR to justify its request for historical and forecast non reference service revenue:
- (a) Rules 74 and 75 of the NGR - provide certain requirements for 'forecasts and estimates', and 'inferred or derivative information'.
 - (b) Rule 93 of the NGR - The Authority is required to assess the allocation of revenue and costs (r. 93) to determine whether reference tariffs meet various requirements under the law including the national gas objective (including pursuant to s. 28 of the Law).
 - (c) Rule 74(2) of the NGR - Details of the historic non-reference service revenue will assist the Authority in assessing whether the forecast/estimated non-reference service revenue has been determined in accordance with r.74(2), including where such forecasts are proposed to be a nil value.
- 2.5. While it is not clear to DBP whether the ERA is of the view that it can rely on these rules of the NGR to require the provision of this revenue information (or any other rules of the NGR for that matter), on the assumption that they are Rules that the ERA relies on, DBP outlines below why none of these Rules can be relied on in the case of assessing the proposed revisions to the DBNGP Access Arrangement.
- 2.6. Firstly, DBP draws the ERA's attention to clause 7.13(a)(ii) of the existing access arrangement. Given the fixed principle referred to in this clause, it makes it abundantly clear that actual revenue earned by DBP prior to 2015 is irrelevant and can not be taken into account by the ERA in its assessment of any aspect of the reference tariff calculation.
- 2.7. If the ERA does not agree with the submission made in the above paragraph, DBP submits that the very Rules themselves do not create a statutory power to enable the ERA to require the revenue information to be provided. DBP's submissions in respect of each Rule follow in the next paragraphs.
- 2.8. In relation to Rule 93 as a justification for a service provider being required to provide the ERA with historical and forecast non reference service revenue, DBP notes that nowhere in this rule is the ERA required to consider revenue earned from the sale of pipeline services.

All that Rule 93 deals with is the allocation of the regulated total revenue between reference and other pipeline services in the same ratio in which costs are allocated between reference and other services.

- 2.9. So, DBP submits that the only relevant considerations for the purposes of Rule 93 are:
- (a) The quantity of forecast pipeline services (ie volumes/utilisation); and
 - (b) Submissions on how costs attributable to pipeline services are to be allocated amongst these services (although if the allocation methodology is connected in some way to the amount of revenue earned from the sale of each service – which is not the case for the DBNGP Access Arrangement proposal – DBP acknowledges that revenue information would be required to be provided).
- 2.10. Historical non reference pipeline service volumes may be relevant but only if the historical circumstances of the pipeline and the gas market are comparable to those forecast for the access arrangement period such that they may be a guide for forecasting.
- 2.11. DBP submits that the circumstances relating to pipeline utilisation during the period from 2005 to 2010 are not comparable to those forecast for the period 2011 to 2015. Accordingly, the actual utilisation of the pipeline from 2005 to 2010 should be used cautiously as a guide for forecasting.
- 2.12. The reasons why the circumstances in 2005-2010 are not comparable to those in 2011-2015 are as follows:
- (a) In 2005 to 2010, there was significant expansion of the pipeline's capacity for new demand. The customers also required short term gas to be available on an interruptible basis so that the downstream plant could be commissioned. There are no plans to expand the DBNGP during the period, so the need for interruptible commissioning type services at similar levels is not likely.
 - (b) The expansion program also saw a significant increase in the utilisation of and contracting for firm full haul capacity such as the T1SSC. There are however, no access requests presently in the queue. Accordingly, there is no substantiation for additional T1 capacity over that which has been contracted for in relation to the Stage 5B project.
 - (c) The massive disruption to gas supplies caused by the Apache processing plant explosion in 2008 led to the utilisation of a number of storage type pipeline services and some short term transportation type pipeline services in that and subsequent years. However, this event is not forecast to be repeated and so the demand for these services is not likely.
- 2.13. So, were the ERA to solely take into account actual historical non reference service pipeline volumes in order to assess an access arrangement's proposal relating to total revenue allocation, it would be acting incorrectly (unless the service provider proposed to use utilisation of services as part of the allocation methodology).
- 2.14. In relation to Rules 74 and 75 as a justification for a service provider being required to provide the ERA with historical and forecast non reference service revenue, DBP submits that these Rules do not outline a statutory function or power.
- 2.15. Therefore, reliance on these Rules alone by the ERA to justify the provision of non reference service revenue would mean the ERA would be taking into account irrelevant considerations.

3. NON REFERENCE SERVICES FOR THE PURPOSES OF THE DBNGP ACCESS ARRANGEMENT

- 3.1. Without derogating from DBP's submissions outlined in the preceding section of this submission, DBP has previously stated that the sale of non reference pipeline services on the DBNGP contributes a very small percentage of the overall revenue earned from the sale of all pipeline services.
- 3.2. The ERA has questioned the accuracy of this statement, particularly given the ERA is of the view that all existing reference services are proposed to be non-reference services, it would seem likely that such revenue associated with non-reference services could increase significantly.
- 3.3. These statements made by the ERA give rise to a number of issues. DBP makes submissions in relation to each of these issues in turn.

Reasons why the existing reference services are not proposed to still be reference services

- 3.4. During the period of the current access arrangement, DBP has not entered into any contracts for the provision of any of the three current reference services.
- 3.5. DBP also does not forecast to enter into a single contract for any of these services during the proposed access arrangement period (ie until 31 December 2015). That is why they are being proposed as non reference pipeline services under the proposed revisions to the access arrangement.

Are the Alcoa Exempt Contract service, the negotiated T1, P1 and B1 SSC services and other negotiated firm full haul services non reference services or reference services for the purposes of calculating reference tariffs?

- 3.6. DBP's proposed revisions to the access arrangement, as has been the case for all of DBP's access arrangement proposals filed since 2000, assume that certain pipeline services (which are technically non reference pipeline services but carry the same name as some of the services that were classified by the ERA as references services in the current access arrangement) are to be treated for the purposes of calculating the reference tariff for the proposed reference service as if they are reference services. They are:
- (a) The service provided under the Alcoa Exempt Contract
 - (b) The T1 and Tx services provided under the T1 Standard Shipper Contract (being a service that is different to the reference service in the current access arrangement named the T1 service)
 - (c) The service provided under the P1 Standard Shipper Contract (being a service that is different to the reference service in the current access arrangement named the P1 service) – prorated on a distance basis
 - (d) The service provided under the B1 Standard Shipper Contract (being a service that is different to the reference service in the current access arrangement named the B1 service) - prorated on a distance basis
 - (e) The service provided under the Special Purposes Access Contract

- 3.7. Accordingly, DBP did not consider these services to be non reference pipeline services when making its statement to the ERA as to the revenue it has earned and expects to earn from such services.

- 3.8. Nor did DBP consider these services as non reference services when addressing other aspects of its proposed revisions to the access arrangement (for example, such as the issue of cost allocation methodology).
- 3.9. It should be noted however that, to enable the ERA to perform its functions under the NGR in assessing the access arrangement revisions proposal, DBP has already provided to the ERA details of the actual and forecast contracted capacities and throughput for the above pipeline services.
- 3.10. Because the DBNGP's capacity to provide firm full haul pipeline services is fully contracted, DBP does not have the ability to enter into new contracts for the provision of either the proposed reference service or any of the services listed in paragraphs 3.6(a), 3.6(b) and 3.6(e) (or any other firm full haul pipeline service for that matter), unless the capacity of the pipeline is expanded, which is not presently being forecast in the access arrangement proposal.
- 3.11. However, to treat these pipeline services as reference services for one aspect of DBP's proposal but then to treat them as non reference pipeline services for another aspect (being cost allocation methodology, for example) would be inconsistent and wrong.
- 3.12. In addition, if the technical approach to the interpretation of the term "reference service" were adopted, it would mean that no pipeline service for firm full haul transportation on the DBNGP would be a reference service under the DBNGP Access Arrangement.
- 3.13. So, it is correct for DBP to have not included the revenue from the sale of pipeline services listed in paragraph 3.6 in its statement as to the revenue earned from non reference services.
- 3.14. DBP notes that to date, the ERA has proceeded with approving access arrangements on the basis that the T1, B1 and P1 non reference pipeline services have been used as the basis for determining reference tariffs.
- Pipeline Services used to substantiate DBP's submission as to the amount of revenue earned from the sale of non reference services*
- 3.15. In addition to the above comments about T1, B1 and P1 negotiated services, DBP did not, when it made the statement about the amount of revenue it has earned from the sale of non reference pipeline services, consider that the provision of the following services were pipeline services for the purposes of the DBNGP Access Arrangement:
- (a) Construction agreements pursuant to which shippers provided a capital contribution.
 - (b) Operations and maintenance agreements for the maintenance of facilities that were not part of the covered pipeline at the time and the capital expenditure for which was made by contributions from shippers.
- 3.16. This was on the basis that these services were not in relation to the covered pipeline (on the basis that these facilities will not form part of the covered pipeline until the ERA approves their inclusion in the capital base).
- 3.17. While these facilities form part of the proposed covered pipeline and the expenditure which is proposed to be included in the capital base, the expenditure has not been nor is it proposed to be recovered through the reference tariff. Rather, the expenditure has been recovered through capital contributions provided by shippers. The same applies in the case of the O&M charges payable under the operations and maintenance agreements for these facilities.

- 3.18. DBP has previously provided to the ERA details as to the capital contributions made by third parties. Accordingly, it does not intend re-supplying it in this submission. In relation to revenue earned under operation and maintenance agreements for the assets constructed under capital contribution arrangements, while this information is again not relevant to the ERA's function in assessing the access arrangement revisions, the total revenue earned during the current access arrangement period by DBP from these services was minor.
- 3.19. So, the statement made by DBP that the sale of non reference pipeline services on the DBNGP contributes a very small percentage of the overall revenue earned from the sale of all pipeline services revenue refers to the revenue earned from the sale of the following pipeline services:
- (a) Park & Loan pipeline services
 - (b) Interruptible services
 - (c) Commingling services
 - (d) Commissioning services
 - (e) Inlet swap services
 - (f) Out of specification gas services
- 3.20. While not relevant to the exercise of the ERA's statutory functions and powers in assessing an access arrangement proposal, DBP advises that the total revenue received by DBP for non reference services (which covers all services referred to in paragraph 3.19) during the period from January 2006 to 30 June 2010 was [REDACTED], with almost [REDACTED] of that revenue being earned in 2009 and the first half of 2010 largely due to the fallout from the Varanus Island explosion.

4. RECONCILIATION OF DUET REVENUE INFORMATION WITH NON REGULATED REVENUE

4.1. While not outlined in the ERA’s request of 28 October 2010 and also while not relevant to the exercise of the ERA’s statutory functions and powers in assessing an access arrangement proposal for the DBNGP, the ERA has previously asked DBP to explain DBP’s statement as to the amount of revenue earned from the sale of non reference services in light of the revenue information for each year of the current access arrangement period as outlined by DUET in its Management Information Reports released to analysts (a summary of which is contained in **Attachment 3**).

4.2. The table below provides revenue under full firm haul service contracts (inclusive of P1 and B1 services), non reference service revenue and ‘transport income’ as reported in the DUET table. The difference between the sum of pipeline service revenue (firm full haul and NRS) and the transport income reported in the DUET table is then outlined in the table below. An explanation of most of the difference is provided in paragraphs 4.3 and 4.4.

<i>Table - Revenue (\$Million)</i>					
	CY2006	CY2007	CY2008	CY2009	30-Jun-10
Full Firm Haul Service Revenue	205.2	266.9	310.0	355.5	181.2
Non Reference Service (NRS) Revenue					
DUET Transport Income	204.3	269.8	320.0	367.0	185.3
Difference between 'Transport Income' and Firl Full Haul and NRS Revenue)					

4.3. Some of the rows contained in Attachment 3 include amounts for items that have been treated as revenue in accordance with relevant accounting standards but which is not revenue from the sale of pipeline services. This includes the following:

- (a) Bank interest income
- (b) Realised and unrealised foreign exchange gains or losses
- (c) The sale of electricity within the DBNGP corridor generated at compressor station sites (although it should be noted that DBP no longer sells electricity)
- (d) Capital contributions from shippers for new facilities that did not form part of the covered pipeline at the time they were constructed
- (e) Revenue from operations and maintenance charges levied for the use of assets with respect to which capital contributions were made by third parties.

4.4. However, in some years revenue from these items have been reported in the DUET table under the row headed transport income whereas in other years some of the revenue from these items have been accounted for in the rows headed “chargeable works” and “other”.

5. HISTORICAL AND FORECAST PIPELINE SERVICES UTILISATION

- 5.1. Consistent with DBP's submissions in section 2 of this submission, DBP has included information in the spreadsheet attached to the ERA's request in a way that enables the ERA to exercise its statutory functions and powers in assessing an access arrangement proposal - DBP has provided, in **Attachment 2**, the actual non reference pipeline service¹ utilisation statistics for the period 2005 to 2010 for the following pipeline services:
- (a) T1(SSC) – as defined in section 3.3 of the access arrangement revision proposal
 - (b) The service under the Alcoa Exempt Contract – this data is included with the data for the T1 SSC volumes, so as to manage DBP's confidentiality obligations
 - (c) P1(SSC) – as defined in section 3.4 of the access arrangement revision proposal
 - (d) B1(SSC) – as defined in section 3.5 of the access arrangement revision proposal
 - (e) Tx
 - (f) Ty
 - (g) Tw
 - (h) Tp
 - (i) Spot – as defined in section 3.6 of the access arrangement revision proposal
 - (j) Park & loan, storage & delivery – as defined in section 3.6 of the access arrangement revision proposal
 - (k) Interruptible – as defined in section 3.6 of the access arrangement revision proposal
 - (l) Commingling – as defined in section 3.6 of the access arrangement revision proposal
- 5.2. DBP has not provided in **Attachment 2** its forecast utilisation of these services that it provided to the ERA in 2005 because:
- (a) In the case of forecasts for the utilisation of part haul, back haul and firm full haul services - these were included in the proposed revised access arrangement information.
 - (b) In the case of forecasts for the utilisation of the other pipeline services listed above - DBP did not, not does it now, forecast any utilisation of such pipeline services.

¹ DBP refers the ERA to its submissions in section 3 to the effect that the services referred to in paragraphs 5.1(a) to 5.1(e) are being treated as if they were reference services for the purposes of the access arrangement proposal

6. COSTS RELATING TO THE PROVISION OF NON REFERENCE PIPELINE SERVICES

6.1. The ERA has requested that DBP provide historical forecast (2005-2010), historical actual (2005-2010) and current forecast (2011-2015) costs, in the event that DBP has additional costs associated with delivering non-reference services that are not included in the submitted regulated cost.

6.2. This raises two issues:

- (a) Whether there are additional costs for the provision of any pipeline service which have not been included in any part of the total revenue calculation in the revised access arrangement proposal.
- (b) Whether the access arrangement documentation should include an allocation of some of the total revenue to the delivery of non-reference services.

Are there any additional costs involved in the provision of non reference pipeline services that were not included in the total revenue proposed by DBP in its revised access arrangement proposal?

6.3. DBP submits that:

- (a) In the forecast of costs submitted to the ERA in 2005 for the 2005-2010 access arrangement period, there were no additional costs for non reference pipeline services that were not included in the Total Revenue for the approved access arrangement. This was because DBP did not, at the time, forecast the sale of any non reference pipeline services for the 2005-2010 period other than those non reference pipeline services, the volumes for which were treated as if they were for the provision of the reference services;
- (b) there were no additional costs actually incurred by DBP for the delivery of non reference pipeline services that have not already been submitted to the ERA.
- (c) there are no additional costs forecast to be incurred by DBP for the provision of non reference pipeline services in the period 2011 to 2015 because DBP has not forecast the delivery of any non reference pipeline services for that period other than the non reference pipeline services that, as outlined in section 3 of this submission, have been treated for the purposes of the calculation of the reference tariff as if they were to be delivered as the reference service;
- (d) for pipeline services that have been treated, for the purposes of the calculation of the reference tariff for the period 2011 to 2015, as if they were to be delivered as the reference service ("Proposed Reference Services"), DBP has proposed that all of the forecast costs that are used to determine the proposed total revenue are attributable to the provision of such services (as outlined in the proposed revised access arrangement information document), other than capital contributions; and
- (e) even if the ERA forms the view that there is likely to be other pipeline services ("Non Reference Pipeline Services") delivered during the period 2011 to 2015 other than the Proposed Reference Services (which DBP submits would be erroneous), DBP submits that none of the forecast costs included in the total revenue in the revised access arrangement revision proposal relate to the provision of Non Reference Pipeline Services.

Should the total revenue be allocated between different pipeline services?

6.4. DBP's submissions in paragraphs 6.3(d) and 6.3(e) above are appropriate because:

- (a) All of the forecast costs in the proposed total revenue calculation are directly attributable to the provision of Reference Services
- (b) None of the costs in the proposed total revenue are directly attributable to Non Reference Pipeline Services
- (c) To the extent that there are other costs for the purposes of Rule 93(2) of the NGR, it is consistent with the revenue and pricing principles of the NGL to not allocate any of the forecast costs.

6.5. Aside from the costs associated with the operation and maintenance of facilities with respect to which shippers have provided capital contributions, DBP does not record all of its costs against each of the specific pipeline services DBP delivers. This is so for a number of reasons:

- (a) In so far as capital expenditure is concerned, the pipeline was designed and configured to provide the contracted Reference Services. Without the capital and operational expenditure proposed by DBP, DBP would not be in a position to deliver the capacity contracted by these pipeline services.
- (b) In so far as operating expenditure is concerned, there are a number categories of expenditure which are required to be incurred to enable any pipeline service to be provided. These include:
 - (i) Legal and commercial labour and/or consultant costs to negotiate and administer the contracts;
 - (ii) Engineering modeling to determine the extent to which the service can be made available;
 - (iii) Fuel gas to transport the marginal quantity of gas;
 - (iv) Computer space to record and process data associated with these services.
- (c) However, the labour and consultancy costs referred to above are the costs of staff who are fully engaged in providing support for the T1 / P1 / B1 services. It is not possible to provide the T1/P1/B1 services with fewer personnel. So, these Non Reference Pipeline Services are incremental and complementary to the T1/P1/B1 services and accordingly are normally provided bundled with the "reference" service. As such it is not possible to isolate the costs associated with providing these services.
- (d) Moreover, to the extent that these labour and consultancy might be related to the provision of Non Reference Services, DBP' staff do not record timesheets at that level, is considered as part of each individual's normal job. There would be no change in staff levels if we were not providing those services.
- (e) In relation to fuel gas costs relating to such services as the Park & Loan pipeline service, it is impossible for DBP to accurately calculate what, if any, incremental costs have been or are incurred. This is because there are some days where a shipper parks gas on the pipeline, which would therefore result in DBP purchasing less fuel gas than would otherwise be the case. However, there are other days where a shipper loans or takes out parked gas, which may cause an increase in fuel gas costs. Even then, on days where a shipper loans gas or takes out parked gas, the additional fuel gas may differ from day to day because of the other conditions of the pipeline may vary from day to day.

6.6. The proposal in relation to allocation is consistent with the revenue and pricing principles in that:

- (a) It will provide DBP with a reasonable opportunity to recover at least the efficient costs the service provider incurs in providing reference services.
- (b) It provides DBP with effective incentives in order to promote economic efficiency with respect to reference services the service provider provides in that it promotes:
 - (i) efficient investment in, or in connection with, a pipeline with which the service provider provides reference services; and
 - (ii) the efficient provision of pipeline services; and
 - (iii) the efficient use of the pipeline.
- (c) By removing some of the costs from the reference tariff calculation, it will not allow for a return commensurate with the regulatory and commercial risks involved in providing the reference service to which that tariff relates.
- (d) The economic costs and risks of the potential for under utilisation of a pipeline with which a service provider provides pipeline services that might be alleged to arise as a result of all of the costs being allocated to the delivery of the Reference Services are not justifiable given that DBP has entered into contracts for the supply of Non Reference Services since 2005.

7. CONFIDENTIALITY

- 7.1. This submission is provided to the Regulator to assist it in its assessment of the Proposed Revised Access Arrangement.
- 7.2. Information contained in the submission is confidential and commercially sensitive.
- 7.3. It is provided to the Regulator on the following conditions:
 - (a) it is to be used by the Regulator solely for the purposes of assessing the proposed revisions to the DBNGP Access Arrangement;
 - (b) it is not to be disclosed to any person other than the following without Operator's prior written approval:
 - (i) those staff of the Regulator who are involved in assisting the Regulator in its assessment process; and
 - (ii) those of the Regulator's consultants who are involved in assisting the Regulator in its assessment process and who have appropriate confidentiality undertakings in place.



ATTACHMENT 1: ERA SPREADSHEET REQUEST

Non Regulated Revenue																	
Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Project Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
7	Forecast Non Regulated Revenue						AA2 [m\$ 31/12/2004]						AA3 [m\$ 31/12/2009]				
8	Rev 1 [Annotate indicating the nature of the service from which revenue is derived.]																
9	Rev 2																
10	Rev 3																
11	Rev 4																
12	Rev 5																
13	Rev 6																
14	Rev 7																
15																	
16	Rev n																
17	Total																
18	Actual Non Regulated Revenue						AA2 Actual [m\$ OD]										
19	T1 (SSC)																
20	P1 (SSC)																
21	B1 (SSC)																
22	Tx																
23	Ty																
24	Tw																
25	Tp																
26	Spot																
27	Park & Loan																
28	Interruptible																
29	Other Services																
30	Capital Contributions Revenue																
31	O&M Charges																
32	Total																
Non Regulated Cost Related to Other Revenue (Not Included in Reg Capex & Opex)																	
Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Project Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
36	Forecast Non Regulated Cost						AA2 [m\$ 31/12/2004]						AA3 [m\$ 31/12/2009]				
37	Cost 1 [Annotate indicating the nature of the cost, i.e. opex/capex and the service for which the cost is associated with.]																
38	Cost 2																
39	Cost 3																
40	Cost 4																
41	Cost 5																
42	Cost 6																
43	Cost 7																
44																	
45	Cost n																
46	Total																
47	Actual Non Regulated Cost						AA2 Actual [m\$ OD]										
48	Cost 1																
49	Cost 2																
50	Cost 3																
51	Cost 4																
52	Cost 5																
53	Cost 6																
54	Cost 7																
55																	
56	Cost n																
57	Total																



**ATTACHMENT 2: REFERENCE AND NON REFERENCE SERVICE
UTILISATION**

	CY2006			CY2007			CY2008			CY2009			CYTD2010 - 30 Oct		
	Interruptible Reserved Capacity (TJ/d)	Firm Reserved Capacity (TJ/d)	Throughput (TJ/d)	Interruptible Reserved Capacity (TJ/d)	Firm Reserved Capacity (TJ/d)	Throughput (TJ/d)	Interruptible Reserved Capacity (TJ/d)	Firm Reserved Capacity (TJ/d)	Throughput (TJ/d)	Interruptible Reserved Capacity (TJ/d)	Firm Reserved Capacity (TJ/d)	Throughput (TJ/d)	Interruptible Reserved Capacity (TJ/d)	Firm Reserved Capacity (TJ/d)	Throughput (TJ/d)
T1 & AEC (w SPAC)	0.0	0.0	545.8	0.0	0.0	599.5	0.0	0.0	582.9	0.0	0.0	625.5	0.0	0.0	625.6
T1 & AEC Reservation (w SPAC)	0.0	614.5	0.0	0.0	710.7	0.0	0.0	785.1	0.0	0.0	822.7	0.0	0.0	824.3	0.0
P1 (SSC)	0.0	0.0	21.2	0.0	0.0	33.3	0.0	0.0	66.1	0.0	0.0	61.8	0.0	0.0	83.9
P1 Reservation	0.0	27.5	0.0	0.0	48.3	0.0	0.0	50.8	0.0	0.0	102.5	0.0	0.0	295.9	0.0
B1 (SSC)	0.0	0.0	102.4	0.0	0.0	108.9	0.0	0.0	62.4	0.0	0.0	109.7	0.0	0.0	118.1
B1 Reservation	0.0	142.6	0.0	0.0	149.1	0.0	0.0	146.9	0.0	0.0	146.9	0.0	0.0	146.9	0.0
Tx															
Tx Reservation															
Ty															
Tw															
Tw Reservation															
Tp															
Tp Reservation															
Tk															
Reference Services Total	0.0	825.6	701.3	0.0	954.2	757.2	0.0	1050.9	741.6	0.0	1122.0	818.5	0.0	1280.6	830.2
Spot	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.0	0.0	0.0	15.7	0.0	0.0	10.9
Spot Take or Pay	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.8	0.0	0.0
Park and Loan and Storage and Delivery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	0.0	0.0	5.1	0.0	0.0	1.3
Interruptible	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.8	0.0	0.0	0.4
Interruptible Reservation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.8	0.0	0.0	15.0	0.0	0.0
Commingling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commingling Reservation	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other (Inlet Sales fees, out of spec, comp fuel, commissioning)															
Commissioning Reservation															
Non Reference Pipeline Services Total	0.0	0.0	0.0	0.0	0.0	0.0	6.7	0.0	27.3	13.9	0.0	21.7	19.9	0.0	12.6

* Tp capacity varies on a daily basis depending on a number of variables such as the actual quality of the gas entering the pipeline, the availability of compression, temperature of the gas etc.. Accordingly, DBP has not put a precise level of contracted capacity, however it varies between approximately 20 to 30TJ per day.



ATTACHMENT 3 – DUET REVENUE REPORTS

DUET Reporting Information

	2005		2006		2007		2008		2009		2010	*2010
	30-Jun-05	31-Dec-05	30-Jun-06	31-Dec-06	30-Jun-07	31-Dec-07	30-Jun-08	31-Dec-08	30-Jun-09	31-Dec-09	30-Jun-10	31-Dec-10
REVENUE	136.0000	110.4000	112.5000	111.6000	138.7000	146.4000	157.3000	168.8000	183.9000	193.8000	197.9000	
Transport (Transmission) Revenue	135.3000	109.7000	111.7000	110.6000	137.8000	145.2000	156.2000	167.1000	183.3000	193.8000	197.9000	
Transport income	135.0000	107.0000	99.6000	104.7000	133.0000	136.8000	153.6000	166.4000	180.9000	186.1000	185.3000	
Chargeable works & other transport income	0.3000	2.8000	12.0000	5.8000	4.8000	8.4000	2.7000	0.8000	2.4000	7.7000	12.6000	
Other	0.7000	0.7000	0.9000	1.1000	0.9000	1.2000	1.1000	0.3000	0.0000	0.0000	0.0000	
Calendar Year												
Chargeable works & other Transport income		3.1000		17.8000		13.2000		3.5000		10.1000		12.6000