

**EXAMPLE OF IMPACT ON DORC VALUATION
OF ASSET CLASS DEPRECIATION APPROACH
OF A 1 YEAR CHANGE IN ASSET LIFE
ASSUMPTION**

ITEM / DESCRIPTION	Option B				
PIPELINE	Cost	Asset Life	MODEL LESS 1 YEAR		BASE MODEL
	\$	Years		Asset Life	
				Years	
Mainline	378,004,000	77	234,411,571	77	234,411,571
Loop Line	18,480,000	77	11,460,000	77	11,460,000
Laterals	55,590,984	77	34,473,630	77	34,473,630
Native Title Compensation Allowance	5,270,000	77	3,268,084	77	3,268,084
COMPRESSORS	\$				
Compressor Station #1	36,000,000	29/77	31,234,662	30/77	8,041,558
Compressor Station #2		29/77	-	30/77	-
Compressor Station #3		29/77	-	30/77	-
Compressor Station #4	10,000,000	29/77	8,676,295	30/77	2,233,766
Compressor Station #5		29/77	-	30/77	-
Compressor Station #6		29/77	-	30/77	-
Compressor Station #7		29/77	-	30/77	-
Whyte Yarcowie Compressor Station	5,700,000	29/77	4,945,488	30/77	1,273,247
METER STATIONS	\$				
Meter & Regulation Stations	16,400,000	50	6,806,000	50	6,806,000
SCADA, COMMUNICATIONS					
SCADA & Communications	7,000,000	14	6,375,000	15	350,000
LINEPACK	\$				
Linepack	2,750,055	-	2,750,055	-	2,750,055
OPERATIONS & MAINTENANCE					
Maintenance Depot	6,000,000	14	5,464,286	15	300,000
Spares	3,500,000	14	3,187,500	15	175,000
Head Office / Gas Control	3,500,000	14	3,187,500	15	175,000
SUB-TOTAL	548,195,039		356,240,071		305,717,912
Interest on Capital	51,900,000	77	32,184,740	77	32,184,740
TOTAL ORC	600,095,039	DORC	388,424,811	DORC	337,902,652

Unifrom Depreciation Approach (47.5 years remaining)	370,188,498
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Pipeline Expired Life (years)	29.5 years
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