

10 October 2006

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Mr Mike Buckley  
General Manager  
Australian Energy Regulator  
PO Box 1199  
DICKSON ACT 2602

Dear Mr Buckley

## **Further extension of time for the Dawson Valley Pipeline Access Arrangement**

We refer to our correspondence of 20 September 2006 and our recent teleconference.

We confirm that our clients Anglo Coal (Dawson) Limited and Anglo Coal (Dawson Management) Pty Ltd request a further extension of time within which to lodge an Access Arrangement for the Dawson Valley Pipeline (**DVP**) under section 7.19 of the National Third Party Access Code for Natural Gas Pipeline Systems (**Code**). Our clients' joint venture partner in the Dawson Joint Venture, Mitsui Moura Investment Pty Ltd (**Mitsui**), also seeks a further extension of time and we seek that extension on their behalf.

Our clients have commenced preparation of the Access Arrangement and accompanying documentation and, in particular, have engaged engineering and economic consultants to assist it in its determination of an appropriate Reference Tariff. However, it is unlikely that our clients will be in the position to lodge a complete set of documentation for approval by the ACCC by 6 November 2006. Consequently, our clients (including Mitsui) seek a three month extension until 5 February 2007.

Our clients have only relatively recently become the owner of the DVP. There have been at least two previous owners of the DVP and consequently historical construction cost data was extremely difficult to identify and locate as all relevant documents had been archived some years ago.

As mentioned in our recent teleconference and previous correspondence, it has taken significantly longer than expected for our clients to access the required historical data necessary for the consultants to develop the Reference Tariff and other financials. This has particularly been the case due to the volume of our clients' material to be reviewed and the complexity of any indexing system. The engineering consultants retained by our clients considered it necessary to obtain reliable data by way of historic construction costs to enable them to undertake the task of preparing a report which could be relied upon by our clients' economic consultants to undertake their task in developing a Reference Tariff for the DVP. Furthermore, they were reluctant to

undertake the task until that data could be located. Following extensive interrogation of the archival records, that data has now been located and the engineering consultants have delivered their first report which has been provided to the economic consultants.

Nevertheless the delays that have occurred to date have significantly impacted on our clients' ability to develop the Access Arrangement and accompanying documentation and have made it extremely difficult for our clients to be in a position to lodge a complete set of documentation for approval by the ACCC by 6 November 2006. Our clients are confident that the preparation of the Access Arrangement and accompanying documentation can now be prepared expeditiously and foresee no further delays in developing documentation and providing it to the ACCC for approval. Nevertheless our clients are concerned that this cannot be achieved by 6 November 2006.

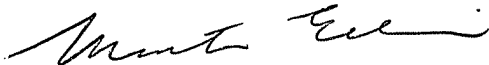
Our clients believe the proposed extension would be unlikely to impact on access seekers. There is only one present user of the DVP other than our clients and it has a current contract for the shipping of gas on the DVP. Our clients have instructed us that it is extremely unlikely that there is any other potential access seeker who will seek access to the DVP in the short to medium term. Further our clients confirm that they are unaware, at this time, of any potential access seeker to the DVP.

Our clients remain committed to providing the ACCC with a draft Access Arrangement and accompanying documentation for its review before proceeding to final lodgement and to do so as soon as possible.

If you require any further information or wish to discuss any aspect of the application, please contact Margaret Brown on (07) 3119 6388.

Yours faithfully

**MINTER ELLISON**



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