

## **A Submission from EdgeCap Pty Ltd in response to the Issues Paper on the Application by GPU GasNet Pty Ltd for revision to the Access Arrangement for the Principal Transmission System (Commission File No. C2000/1412 & Commission and Code Registrar Application No. GR00/04).**

EdgeCap (a newly created Energy Merchant Company, whose shareholders are United Energy, Shell & Woodside) welcomes the opportunity to respond to the ACCC's issues paper.

### **Competition must be equitable for all competitors**

EdgeCap firmly believes that for competition to achieve its ultimate goal of ensuring benefit for users and consumers it must be equitable for all competitors. EdgeCap is therefore of the view that the competitive process for access to the Principal Transmission System must not be distorted by the economic impact of uneven encumbrances.

### **Roll-in of the Southwest Pipeline**

From a competition point of view it would be undesirable to allow GPU GasNet to apply a tariff, to the Southwest Pipeline, which would essentially exclude any new entrant from participating in the Victorian Gas Market.

EdgeCap, as a wholesale energy trader, intends to pursue/promote all available sources of gas to trade in the Victorian Gas Market (thus in the medium to long term facilitating upstream competition). To be effective, EdgeCap therefore requires a level playing field to be created. The sooner this level playing field is created the sooner benefits of competition will flow onto customers.

EdgeCap is of the view that the proposed revision to the Access Arrangement by GPU GasNet Pty Ltd appears to be moving in the right direction. That is attempting to open up access to the Principle Transmission System from the South West, thus improving the chances of gas fields (proven and unproven) in that area being developed.

### **EdgeCap's Position on the Proposed Revision**

Considering the above, and the fact that the Access Arrangement will be completely reviewed during 2002, EdgeCap is in favour of the proposal put forward by GPU GasNet Pty Ltd to be allowed.