

13 September 2002

Mr Michael Walsh  
Australian Competition & Consumer Commission  
Level 7, Angel Place  
123 Pitt Street  
SYDNEY, NSW 2000

**Email:** [michael.walsh@accc.gov.au](mailto:michael.walsh@accc.gov.au)

Dear Michael

### **GasNet's Access Arrangement Submission**

In the Commission's Draft Decision on GasNet's access arrangement revisions, the Commission requested that GasNet amend Table 8-3 of its submission relating to exceptional costs to reflect only that portion of costs that relate to regulated assets. The Commission also requested that GasNet change its operations and maintenance forecasts in the access arrangement information to reflect these changes.

The table contained in attachment A sets out the exceptional costs and includes only those costs that relate to the regulated assets. As indicated in GasNet's submission, GasNet's insurance premiums had not been finalised by the time the submission was given to the Commission in March this year. These costs have now been finalised and the table contained in attachment A incorporates the new total insurance premium increases from the first access arrangement period. The calculation of insurance expenditure is contained in attachment B. As the material contained in attachment B contains commercially sensitive information, GasNet requests that the Commission keep this information confidential.

GasNet proposes to amend its access arrangement information to reflect the appropriate allocation of these costs. However, as the final operating and maintenance costs are affected by other issues arising out the Draft Decision, GasNet does not propose to amend the operating and maintenance forecasts contained its access arrangement information until those issues have been resolved.

Yours sincerely

Dr David Whitelaw  
Regulatory Manager