

{AGL submission}

31<sup>st</sup> March 2000

Mr Ed Willett  
Executive Director  
National Competition Council  
GPO Box 250B  
MELBOURNE VIC 3001

Dear Mr Willett

**Submission on Application for Coverage of Eastern Gas Pipeline**

I have seen, in draft form, a submission to be made on behalf of both the East Australian Pipeline Limited (EAPL) and Duke Energy International (Duke) regarding the procedural issues which surround the Application for Coverage of the Eastern Gas Pipeline (EGP), the Application for Revocation of Gas Code Coverage of the Moomba-Sydney Pipeline (MSP), Duke's Application to the ACCC to have a Part IIIA Access Undertaking accepted, and EAPL's application to the ACCC to have its Access Arrangement accepted.

While Energy Sales & Marketing is not yet convinced that coverage of the pipelines under Part IIIA Access Undertakings is preferable to coverage of both pipelines under the Gas Code, we believe there is merit in exploring further whether Part IIIA Undertakings have the potential to offer superior market outcomes.

In that context, we support the thrust of the joint EAPL/Duke submission insofar as it seeks procedural coordination between the related regulatory matters, and insofar as it seeks symmetrical regulatory outcomes for the two pipelines.

However, Energy Sales & Marketing's support for the procedural recommendations of the joint EAPL/Duke submission is offered without prejudice to any view to which we may ultimately come regarding the preferability of Part IIIA Undertakings or Gas Code coverage.

Yours sincerely,

Michael Fraser  
Group General Manager  
Energy Sales & Marketing