

1 March 2001

The Executive Officer
National Gas Pipelines Advisory Committee
Level 13, Wakefield House
30 Wakefield Street
ADELAIDE SA 5000

Dear Sir/Madam,

**Proposed Amendment to the National Third Party
Access Code for Natural Gas Pipeline Systems**

AGL Energy Sales & Marketing Limited ('**AGLES&M**') welcomes the opportunity to comment on the Information Memorandum dated 1 February 2001.

As a major retailer of energy in Australia, AGLES&M is interested in the regulatory environment for open access to gas and electricity infrastructure.

AGLES&M has not formed a view on the issue of whether the Code requires amendment as proposed by APIA on behalf of Epic Energy. However, AGLES&M believes that if any amendment is introduced, the amendment must be consistent with the following objectives:

1. There should be an effective means of access available to all parties genuinely seeking access to the services provided by means of the infrastructure.
2. There should be transparent pricing for the services.
3. There are a number of principles underlying the provisions of the National Gas Access Code, in addition to those covering Access Arrangements, which should also be maintained. Thus ring fencing arrangements need to be applied so that retailers who are not associated with the asset owner can have confidence that they will be treated equally. For the same reason, there should be regulatory oversight of contracts between associated entities for the provision of services. And information disclosure and dispute resolution provisions should also be maintained.

We trust that the above comments assist the Committee in its deliberations.

Yours faithfully,

Phil James
General Manager Business Strategy