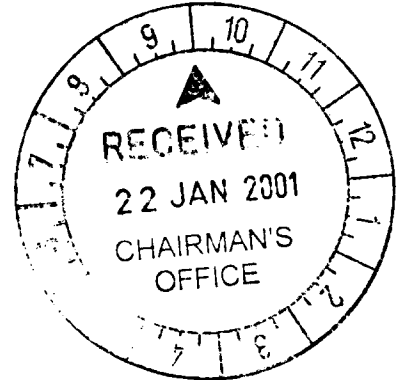




Our Reference: SG2768

17 January 2001

Mr Gary Banks
Chairman
Productivity Commission
PO Box 80
BELCONNEN ACT 2616



Dear Mr Banks,

SUBJECT: SUBMISSION TO THE NATIONAL ACCESS REGIME INQUIRY

The Productivity Commission's inquiry into the national access regime is of direct interest to Woodside Energy Ltd. Woodside is the operator for the North West Shelf Venture which currently supplies around 500 terajoules per day to the West Australian domestic gas market (about 20% of total Australian gas production for the domestic market). It also actively seeking to develop other gas resources, particularly in the Timor Sea (Sunrise) and Bass Strait (Kipper) to supply new and existing markets in the Northern Territory and the eastern states. Sunrise and other gas resources in the Timor Sea will become Australia's 4th major gas production hub supplying a new methanol plant near Darwin, a potential LNG development and other local industry. First gas supplies are expected to be delivered to Darwin as early as 2004. A pipeline to Moomba and potentially to Queensland via Mt Isa, would then enable Timor Sea gas to enter the eastern states markets and provide eastern states gas customers with greater supply competition and long term supply security.

Woodside therefore has a keen interest in gaining access to existing gas pipeline infrastructure at competitive prices and in the further development of Australia's gas transmission and distribution infrastructure. It is important that the regulatory arrangements applying to the industry be framed so as to maximise competition and growth in Australia's gas market.

In this respect Woodside wishes to confirm to the Commission that it has participated in the preparation of the submission to this inquiry by the Australian Petroleum Production and Exploration Association Ltd and fully supports its conclusions. In particular, Woodside supports APPEA's view that the present coverage of facilities under Part IIA is appropriate and should not be extended to cover any part of the gas production process such as feeder pipelines, gathering systems or gas processing plants. Access to these facilities is being successfully achieved via commercial negotiation guided by the statement of best practice principles developed by APPEA and noted by ANZMEC.

Should you require any further information I suggest you contact Mr Niegel Grazia, Government and Public Affairs Principal, Australian Gas. His telephone number is (08) 9348 6663.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Maxwell'.

DAVID MAXWELL
General Manager Commercial
North West Shelf Ventures

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