



THE HON DARYL MANZIE MLA

**MINISTER FOR ASIAN RELATIONS AND TRADE
MINISTER FOR RESOURCE DEVELOPMENT
MINISTER FOR CORRECTIONAL SERVICES
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Mr Graeme Samuel
President
National Competition Council
GPO Box 2508
MELBOURNE VIC 3000

26 JUL 2000

Dear Mr Samuel

I refer to your letter of 6 July 2000 regarding two applications to the National Competition Council (NCC) by Envestra limited seeking revocation of "coverage", under the National Gas Access Code of certain of their pipelines operating in the Alice Springs region of the Northern Territory.

I have given careful consideration to the arguments presented by the NCC in your document and am satisfied that the recommendations are soundly based on the criteria set out at section 1.9 of the Code in respect of revocation. It is also acknowledged that should a potential competitor at some time in the future seek access, then as is suggested in your document, Envestra will attempt to accommodate such a request. In event of this not occurring then any competitor may seek reinstatement of "coverage" of the pipelines under the national Code.

On the basis of the NCC document and as the relevant Minister in respect of these matters, I therefore approve revocation of the "coverage" from the national Code of the following pipelines:

- The Palm Valley to Alice Springs transmission gas pipeline; and
- The Alice Springs gas distribution network, comprising:
 - The Alice Springs Town reticulation pipeline system (downstream of the first flange after the processing plant); and

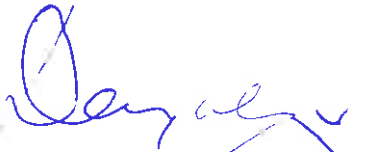


- The Alice Springs Metering and Pressure Station.

Please note that revocation of coverage of the listed pipelines will occur 14 days following the date indicated in this letter advising you of my actions.

Should you require any further information, the Departmental contact person in respect of this matter is Mr Donald Hudson, Senior Policy Adviser who may be contacted on (02) 8999 5363, fax (02) 8981 4806 or **Donald.Hudson@dme.nt.gov.nt.**

Yours sincerely



DARYL W MANZIE