



Australian
Competition &
Consumer
Commission

Our ref: AA1000398
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Dear Madam or Sir

Central Petroleum Limited and Central Petroleum Mereenie Pty Ltd as trustee for the Central Petroleum Mereenie Unit Trust and Macquarie Mereenie Pty Ltd application for authorisation [AA1000398]—interested party consultation

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from Central Petroleum Limited and Central Petroleum Mereenie Pty Ltd as trustee for the Central Petroleum Mereenie Unit Trust (together, Central) and Macquarie Mereenie Pty Ltd (the **Applicants**). The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

The Applicants are seeking authorisation to jointly market the natural gas produced out of the Mereenie gas field (which is owned by the Applicants in a 50/50 joint venture). The Applicants seek to give effect to provisions of gas supply agreements with customers with common terms and conditions (including price). The Applicants have sought authorisation for a term of five years.

A full copy of the application for authorisation is available on the ACCC's website www.accc.gov.au/AuthorisationsRegister. Alternatively, you can contact Gavin McNeill on 02 6243 1054 to obtain a hard copy of the application and submission.

Interim authorisation

The Applicants have requested interim authorisation to enable them to begin negotiations with customers who are currently engaged (or may soon engage) in gas supply tender processes. The Applicants submit that interim authorisation would enable them to expedite the development of the previously untapped gas resources from the Mereenie field and the contracting and supply of that production to east coast gas customers.

The Applicants submit that if interim authorisation is not granted, they will only be able to jointly approach customers and assess demand for the gas supplies if and when final authorisation is granted and this would significantly delay the development of the Mereenie resources.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements.

If you intend to provide a submission in relation to the Applicants application for interim authorisation, please do so by **23 October 2017**. Submissions in relation to the substantive authorisation should be provided by **6 November 2017**. Submissions should be emailed to adjudication@acc.gov.au with the subject 'AA1000398 – Central and Macquarie Mereneie – submission'. Alternatively, if you would like to provide comments orally, please contact the project officer to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information

04 October 2017	Lodgement of application and supporting submission.
11 October 2017	Public consultation process begins.
23 October 2017	Closing date for submissions on interim authorisation.
6 November 2017	Closing date for submissions on substantive authorisation.
November 2017	ACCC decision regarding interim authorisation.
November 2017	Applicant responds to issues raised in the public consultation process.
December 2017	Draft determination.
December 2017 / January 2018	Public consultation on draft determination including any conference if called.
February 2018	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Gavin McNeill on 02 6243 1054 or adjudication@acc.gov.au.

Yours sincerely

A handwritten signature in blue ink that reads "DChanning". The signature is stylized with a large, sweeping loop at the end of the name.

Darrell Channing
Director
Adjudication Branch

Interested Parties List

- Northern Territory Government
- Commonwealth Department of Industry, Innovation and Science
- Australian Energy Market Commission
- Australian Energy Market Operator
- Energy Networks Australia
- Australian Energy Counsel
- Australian Petroleum Production & Exploration Association
- Jemena
- APA Group
- Power and Water Corporation
- Glencore Australia Pty Ltd
- Incitec Pivot Limited
- South 32
- Wesfarmers
- AGL Energy
- ERM Power
- Australian Gas Infrastructure Group
- Santos
- Australian Gas Networks
- Alinta Energy
- Woodside
- Origin Energy
- Ausnet
- Arrow Energy