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28 August 2018

Dr Patrick Walsh
Commissioner
Utilities Commisison Northern Territory

Level 14, Charles Darwin Centre 19 The Mall
DARWIN NT 0800


Dear Dr Walsh,

Draft Report - 2018 Port Access and Pricing Review

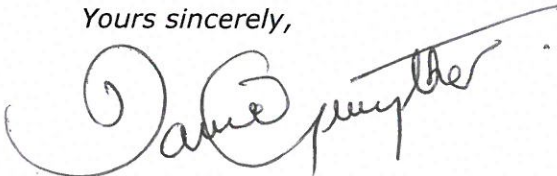
Thank you for the opportunity to review the Northern Territory Utilities Commission's (the Regulator) draft report of the 2018 Port Pricing and Access Review. INPEX supports the recommendations in the draft report and is grateful that the majority of the Company's concerns have been addressed.

For INPEX the following key issues remain:

1. **Monopolies and Passive Regulation.** It remains INPEX's view that a passive regulatory framework is not appropriate for a natural monopoly. The Regulator should have as an absolute minimum the power to veto a new or increased charge. INPEX does not agree that there is currently no justification to change the pricing regulatory regime.
2. **Sub-Leasing of Prescribed Services.** The Darwin Marine Supply Base delivering Prescribed Services without regulatory oversight, the ability to potentially sub-lease a Prescribed Service and avoid regulatory oversight and how the Access Policy currently binds Darwin Port Pilotage Pty Ltd (the pilotage operator) which is not an identified party on that Policy.

INPEX appreciates the Regulator's ongoing engagement. The Company looks forward to the Minister agreeing the recommendations.

Yours sincerely,



DAVID GWYTHYER JP
Deputy General Manager - Darwin

CC. Mr Michael Tennant, CE Department of Trade, Business and Innovation