

PRESS RELEASE

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Energy users welcome NSW gas response

Energy users welcomed yesterday's release by the New South Wales government of the NSW Gas Plan by the Deputy Premier, the Hon Troy Grant MP and the Minister for Resources and Energy, the Hon Anthony Roberts MP.

'As the voice of Australian energy users, we join many other national bodies in supporting moves to address the looming gas crisis,' said Energy Users Association of Australia (EUAA) Chief Executive Officer Phil Barresi. 'We are cautiously optimistic that the NSW Gas Plan with its five key priority areas will not only manage supply, but potentially increase it.'

Energy users hold strong concerns for the potential devastation to the manufacturing industry by the massive transformation currently experienced by Australian gas markets, as detailed in the *Gas Market Transformations- Economic Consequences for the Manufacturing Sector Report*, released earlier this year by a consortium of industry associations including the EUAA.

'Currently, whilst the gas and construction sectors will benefit from the changes taking place in the gas markets, almost all other sectors within Australia's economy are likely to suffer, and suffer catastrophically,' said Mr Barresi.

'If businesses were to absorb increased gas input costs as projected it is unlikely that operations would remain viable for more than a few years, with potential closures having devastating direct and flow on impacts across entire communities.'

'Australia has an unprecedented opportunity to benefit from exporting natural gas,' said Mr Barresi. 'However, realising these benefits without adequate policy entails painful consequences. With smart, considered policy responses from industry and government, such as the NSW Gas Plan, we can make the most of our enviable gas endowment, with a thriving manufacturing sector existing alongside a growing gas export industry.'

'We applaud the NSW government for the release of this plan' said Mr Barresi. 'It's not only an acknowledgement of the fundamental value of gas to Australian business, but it provides a strategic, well-thought out response to actually address a critical issue.'

The EUAA is the peak industry body for Australia's energy users including manufacturers, retailers and resource-based industries.

For interviews with EUAA chief executive Phil Barresi contact Holly Cardamone on 0412 926 604