

EXTENSION TO EASTERN GAS PIPELINE WELCOMED

Jemena's announcement today that it will extend and increase capacity of its Eastern Gas Pipeline (EGP) is welcomed by leading advocate for large commercial and industrial energy users, the Energy Users' Association of Australia (EUAA).

"Solving the many issues confronting the domestic gas market is complex, with additional pipeline capacity being a key part of the solution to ensure gas availability and, hopefully, lower prices for large gas reliant manufacturers," said EUAA Chief Executive Officer, Mr Andrew Richards.

A number of everyday products require gas for their manufacture, and for large energy users in Australia who are dependent on gas with no commercially viable alternative fuel, gas availability is a one of a number of critical issues.

"The EUAA supports economically efficient pipeline development that has undergone thorough and transparent cost benefit analysis and we look forward to learning more about this proposal from Jemena," added Mr Richards.

The EUAA has been calling for additional action to address gas markets for a number of years. Last year, the EUAA's National Gas Discussion Paper proposed a number of options to begin addressing some of the issues experienced by energy users.

In March, the issue of gas availability was highlighted by the Australian Energy Market Operator's (AEMO) Gas Statement of Opportunities (GSOO), with a potential contracting of gas supplies from 2023.

"We are already seeing pipeline constraints which is leading to increased costs for consumers and limitations on new competitors entering the market. Increasing pipeline capacity, such as the announcement today, will be important if we are to resolve the gas crisis," said Mr Richards.

The EUAA is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, food and materials processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and expect to see all parts of the energy supply chain making their contribution to delivering affordable, reliable and sustainable energy supplies.

-ends-

Media Contact: Emily Wood 0421 042 121