

EXPANSION OF GAS PIPELINE CAPACITY WELCOMED BY ENERGY USERS

APA's announcement of its East Coast Grid Expansion Plan that will progressively see increased availability of gas for eastern and southern gas markets is welcomed by the Energy Users' Association of Australia, (EUAA), the leading advocate for large commercial and industrial energy users.

"Manufacturers based in Australia's southern states have become very concerned about the future of affordable gas supply so we welcome APA's expansion plans," said EUAA Chief Executive Officer, Mr Andrew Richards.

"Australia has plenty of gas, it's just not always where you need it to be so this expansion of pipeline capacity and southern storage will be a critical part of a broader east coast gas strategy to deliver affordable and reliable gas supply."

Australian Energy Market Operator (AEMO) recently highlighted a looming gas crisis in Australia's southern states in its recent Gas Statement of Opportunities report (GSOO). While gas supply can be solved by LNG imports it is likely to come at a higher cost which makes it unsustainable as a long-term, day-to-day solution for our manufacturing sector.

"Many EUAA members make essential items such as bricks, steel and glass, chemicals, food and paper products. These items are used by Australians every day and they all rely on supply of affordable and reliable domestic gas," said Mr Richards.

While new processes and fuels are being researched, in the short term, affordable natural gas is an essential input.

"Increasing domestic gas supplies in southern states by up to 24% is good news for local industries which will provide more options for Australian manufacturers and better outcomes for all Australians who rely on their products."

The EUAA is the peak body representing Australian industrial and commercial energy users. EUAA membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries. Combined EUAA members employ over one million Australians, pay annual energy bills in the many billions of dollars and support the development of a lasting national energy and climate change plan that puts downward pressure on electricity and gas costs.

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