

2 December 2015

REGIONAL GAS INFRASTRUCTURE PROGRAM

The Regional Gas Infrastructure Program aims to supply reticulated natural gas to communities across regional and rural Victoria. The Program supports new business opportunities and investment in regional communities.

The Program has three broad initiatives:

- To enable the delivery of natural gas to 14 priority towns, including: Avoca, Bannockburn, Heathcote, Huntly, Invermay, Koo Wee Rup, Lakes Entrance, Maldon, Marong, Orbost, Terang, Warburton, Wandong–Heathcote Junction and Winchelsea;
- To invest in a major upgrade of Mildura’s natural gas supply capacity; and
- To invest up to \$1 million to fund a feasibility study on the provision of natural gas to Victorian communities along the Murray River.

Key Outcomes

The Program is now fully committed. The Victorian Government, through Regional Development Victoria (RDV) has finalised agreements to supply natural gas to a total of 18 regional Victorian towns under the Program; 7 towns will be connected to Victoria’s existing natural gas network under agreements with gas distribution businesses. 11 towns will be connected using a compressed natural gas (CNG) delivery solution

Seven towns to be connected via conventional network extensions:

Huntly

On 12 May 2012, the Government announced a \$4.5 million project to supply more than 580 properties in Huntly with natural gas. The Project includes approximately 3.5 kilometres of supply pipeline and 13.1 kilometres of reticulation pipeline. On 19 June 2014, AusNet Services completed construction of the supply main and reticulation pipeline to extend the natural gas network to Huntly. As at July 2015, AusNet Services had connected over 300 Huntly customers to natural gas.

Avoca

On 30 April 2013, the Government announced that the Government will contribute \$8.389 million to provide natural gas to more than 700 properties in Avoca. The Project includes the construction of approximately 9.3 kilometres of supply pipeline and at least 16.45 kilometres of reticulation pipeline. This Project has commenced and AusNet Services is on track to complete the supply main and begin connecting customers to natural gas by early 2016.

Bannockburn

On 22 May 2013, the Government announced a project to extend natural gas to Bannockburn. The Government will contribute \$8.976 million to the project that will see over 1400 households and businesses in Bannockburn provided with the option to switch to natural gas as an energy source. The Project includes the construction of approximately 8.7 kilometres of supply pipeline and at least 42.04 kilometres of reticulation pipeline. AusNet Services is finalising the environmental approvals required to commence the Project.

Winchelsea

On 3 June 2013, the Government announced a project to extend natural gas to Winchelsea. The Government will contribute \$4.156 million to provide natural gas to more than 600 homes and businesses in Winchelsea. The Project includes the construction of approximately 3.3 kilometres of supply pipeline and at least 14.7 kilometres of reticulation pipeline. This project has commenced and AusNet Services is on track to complete the supply main and begin connecting customers to natural gas by mid-2016.

Further details on the Huntly, Avoca, Bannockburn and Winchelsea connections, including network maps can be found on the [AusNet Services website](#).

Wandong-Heathcote Junction

On 19 June 2013, the Government announced that an agreement had been reached with Australian Gas Networks to extend natural gas to Wandong–Heathcote Junction. The Government will contribute \$4.94 million to this project which will provide natural gas to more than 500 homes and businesses in Wandong–Heathcote Junction. The Project includes the construction of approximately 1.1 kilometres of supply and trunk pipeline and at least 11 kilometres of reticulation pipeline. This Project is expected to commence by mid-2016.

Koo Wee Rup

On 28 February 2014, the Government announced a project with Australian Gas Networks to extend natural gas to Koo Wee Rup. The Government will contribute \$5.25 million to provide natural gas to more than 1,300 homes and businesses in Koo Wee Rup. The Project includes the construction of approximately 14 kilometres of supply pipeline and at least 10 kilometres of reticulation pipeline. This Project will commence by August 2015.

Further details on the Wandong-Heathcote Junction and Koo Wee Rup projects can be found at maketheconnection.com.au.

Warburton

On 19 May 2014, the Government announced a project with Multinet to extend natural gas to Warburton. The Government will contribute \$7.88 million to provide natural gas to more than 500 homes and businesses in Warburton. The Project includes the construction of approximately 5.6 kilometres of supply pipeline and at least 23.3 kilometres of reticulation pipeline. This Project is expected to commence by August 2015.

Further information on this project can be found at unitedenergy.engagementhq.com/multinet-gas-warburton-extension-project.

Eleven towns to be supplied via a Compressed Natural Gas (CNG) delivery solution

The Victorian Government, through RDV, has reached agreement with Brookfield Infrastructure Group (Australia) (Brookfield) to supply natural gas to eleven regional towns, including seven towns under the Program (Heathcote, Lakes Entrance, Orbost, Terang, Invermay, Maldon and Marong) and four Murray River towns (Nathalia, Swan Hill, Robinvale and Kerang).

Brookfield will supply natural gas to these 11 towns via a compressed natural gas (CNG) delivery solution, which involves compressing natural gas in compressor or 'mother stations' in regional and metro locations, trucking the compressed gas to the outskirts of each town to 'Daughter Stations', where gas is stored, depressurised and in turn reticulated via pipes to homes and businesses within each town.

This Project has commenced and Brookfield and expects all 11 towns to have access to reticulated natural gas within four years. As a result of this Project, a total of at least 12,500 residents and industries will be able to connect to natural gas.

Further information on this project can be found at www.vic.tasgas.com.au.

Mildura capacity upgrade

On 12 May 2012, the Government announced a \$10.1 million project with Envestra Limited to expand the natural gas capacity in Mildura. The Project will increase the capacity of the Mildura Transmission Pipeline by 50 per cent and enable the connection of new domestic and industrial customers to the network. The Project is expected to be completed by end of July 2015.

Stage One of Murray River Communities Feasibility Study

Stage One of the Feasibility Study is now completed. Please visit [here](#) for more details and to access the report.

Source: <https://www.rdv.vic.gov.au/programs-and-grants/regional-gas-infrastructure>

Source last updated 11 August 2015

Note: "Envestra" is the former name of "Australian Gas Networks Limited"; the Company changed names in October 2014.