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MEDIA RELEASE - for approval

\$12 million natural gas pipeline boost for Adelaide's southern coastal suburbs and wine region

Adelaide's burgeoning southern districts are in the midst of a natural gas pipeline boost due to a multi-million dollar investment by Australian Gas Networks (AGN) – the country's largest gas distribution company.

South Australian-based AGN has commissioned two separate projects - being undertaken simultaneously to introduce and/or improve natural gas supplies to the region – which will provide a major economic boost for the area.

Businesses and homeowners in the internationally renowned McLaren Vale wine and tourism district are the biggest winners following the construction of a new \$6 million pipeline to supply natural gas to the area for the first time.

In a separate project only a few kilometres away, AGN is funding a significant \$6 million upgrade to the Seaford Aldinga high pressure network - the main gas pipeline supplying Adelaide's southern coastal region including Seaford, Aldinga and Seaford Meadows - to improve/increase gas supplies to thousands of homes and businesses in the region.

AGN's \$12 million commitment to both projects follows its \$14 million dollar upgrade to the natural gas pipeline that supplies Mildura in Victoria late last year and a \$19.8 million pipeline it is currently constructing at the Port of Bundaberg in Queensland.

"The combined projects in Adelaide's southern districts are the latest in a continuous improvement program we undertake in all of the jurisdictions in which we operate," Australian Gas Networks Chief Operating Officer, Mr Andrew Staniford, said today.

"Importantly, the new pipeline to McLaren Vale will provide a major economic boost for the area as hundreds of businesses and homeowners will be able to access natural gas for the first time," he said.

"Previously, these premises have had to rely on bottled LPG being supplied to their properties.

"Natural gas is a clean, safe, instant and cost-effective energy source, so our ability to provide natural gas to customers in McLaren Vale will be a real economic growth opportunity for the region.

"And the upgrade to our natural gas pipeline servicing customers in Adelaide's southern coastal suburbs has been designed to allow us to meet expected continued demand for natural gas."

AGN's investment in increased capacity for McLaren Vale and Adelaide's southern suburbs will allow more households and businesses to connect to gas, and will deliver more natural gas to existing customers.

In the McLaren Vale region, AGN has forecast that will involve connecting up to 1500 new customers over the next 20 years.

The neighbouring Seaford Aldinga high pressure network – which currently supplies over 15,000 consumers – now has additional capacity to connect a further 11,000 new customers over the same period.

Mr Staniford said Stage One of the McLaren Vale project involved the construction of a six-kilometre gas supply main from Commercial Road, Maslin Beach to McLaren Vale.

That work has been completed and the pipeline was successfully commissioned last month.

Stage Two - which commenced earlier this month in conjunction with an extensive awareness/marketing campaign throughout the area - involves construction of about 18 kilometres of reticulation pipeline to make natural gas available to the majority of commercial and residential properties within the township.

This will take up to two years to complete and will involve another multi-million dollar investment during the course of its construction.

The upgrade to the Seaford Aldinga high pressure network included a 1.5 kilometre extension, a transmission to a high pressure regulator, and a 1.8 kilometre polyethylene main to connect to the existing network.

AGN said a major marketing campaign has commenced to alert potential new customers to the new and improved networks.

It urged potential new customers to take advantage of a range of AGN rebates of up to \$1500 to install natural gas appliances.

"The new and improved natural gas supply to Adelaide's southern coast and McLaren Vale district are expected to provide a real and significant economic boon for the region, which will be experienced for many years to come," Mr Staniford said.

"As more homeowners and business and property owners come on line, plumbers will need to be employed to connect their properties, and more equipment and appliances will be required, all of which have the potential to contribute to the local economy," he said.

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