

23 December 2016

## MEDIA RELEASE

# New \$6 million gas pipeline creating history in famed SA wine region

History is being made in South Australia's internationally-renowned McLaren Vale wine and tourism region as local businesses and households connect to natural gas for the first time.

The ground-breaking milestone follows the construction of a new \$6 million gas pipeline in the area by Australian Gas Networks (AGN) - Australia's largest gas distribution business.

One of the first history-making customers to be connected is the landmark, 300-member McLaren Vale Bowling Club, located in the main street of the town.

It jumped at the chance to introduce a range of economic and operational business improvements at the popular community centre by having natural gas connected to its facility.

Other businesses in the main street are also lining up to be connected as soon as possible and are taking up a range of rebates and discounts available to make the transition.

Households in McLaren Vale are also coming on line as the pipeline is extended and connected to other pipeline sections currently being laid in and around the main street.

"Our new pipeline into McLaren Vale is great news for local businesses and households in the area," AGN Company Secretary and Manager Business Services, Mr Geoff Barton, said today.

"For the first time, they can connect directly to natural gas that will be running straight past their properties, saving them the more costly and cumbersome task of having to use bottled LPG," he said.

"AGN has been delighted with the response it has been receiving from property owners keen to hook up to natural gas as soon as they can. We anticipate that interest will continue to increase as more of our pipeline comes on line and more people in the region become aware that they can now connect to natural gas.

"Importantly, the new pipeline to McLaren Vale will provide a major economic boost for the area as more and more businesses and homeowners access the many benefits of natural gas for the first time."

Mr Barton said a major component of the McLaren Vale project involves the 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 commenced earlier this year and will take up to two years to complete.

In a separate \$6 million project only a few kilometres away, AGN has undertaken a significant upgrade to the Seaford-Aldinga gas 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 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 alone, AGN expects up to 1500 new customers will connect to natural gas 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.

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

New customers are urged to take advantage of a range of AGN rebates of up to \$1500 to install natural gas appliances. These rebates will be available until 31 December 2016.

New customers will also benefit from the 23% reduction in gas distribution charges in real terms, that came into place on 1 July 2016. This reduced the average energy bill of for AGN's (425,000) residential and (10,000) small business customers by about \$144 and \$750 per annum respectively from 1 July 2016.

McLaren Vale Bowling Club Board Member and Bar/Kitchen Manager, Pat Cavallaro, said the 70-plus year club - and the entire local community - was delighted to now be connected to natural gas.

"Having natural gas available to the McLaren Vale region is absolutely brilliant for the whole community....it's great news for the area," Mr Cavallaro said.

"The difference between natural gas and bottled gas is amazing. On bottled gas, we had ongoing issues with supply and efficiencies with the flame - as the bottles got emptier you would lose pressure of the appliances we were using," he said.

"You also had to manage your bottle usage - on average, we would use 2-3 bottles a fortnight for our kitchen facilities and hot water - so you always had to make sure you had a spare bottle.

"Now there is no stress - you know you will get a consistent, strong flow of gas - and it's a lot more economical than bottled gas too, so the club can direct some of those savings into other areas."

Mr Barton said the McLaren Vale pipeline was the latest project in a continuous expansion program AGN is undertaking in all of the jurisdictions in which it operates.

"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," he 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."

#### **Media contacts:**

**Geoff Barton**, Company Secretary and Manager Business Services, AGN (08) 8418 1130

**Sean Whittington**, Field PR

(08) 8234 9555 / (0412) 591 520