



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

MEDIA RELEASE

Friday 29 November 2013

NSW FACING GAS SUPPLY SHORTAGE WITHOUT LOCAL PRODUCTION

An independent report has highlighted the potential for NSW households to suffer severe gas shortages during winter months if proposed gas projects in Narrabri and Gloucester are not brought on line by 2017.

Energy Minister Chris Hartcher said the findings, released today by the Australian Energy Market Operator (AEMO), supported the NSW Government's view that future gas availability was inadequate without new local supply, with AEMO suggesting restrictions on usage may have to be imposed.

"Over 1.2 million households in NSW rely on gas for their heating and cooking needs and could be affected by shortages when existing sources from South Australia are diverted to meet export commitments and if proposed projects in NSW don't get off the ground," Mr Hartcher said.

"AEMO's '2013 Gas Statement of Opportunities' outlines the shortfall in NSW by 2018 would be up to 200 terajoules a day over a seven month period.

"That equals half the average daily demand for gas in NSW, or around one third of demand on a peak winter day – potentially affecting around half a million households across the State.

"It would particularly impact upon our manufacturing industries, many of which are already struggling to meet their energy needs in a competitive environment.

"The NSW Government is keenly aware of the energy challenges being faced by our manufacturing industries, businesses and households across the State.

"As a State highly dependent upon imported gas - producing just 5% of our gas needs - we welcome AGL's and Santos' continuing commitment to and investment in the NSW market, whose projects will greatly assist NSW meet its future domestic gas needs."

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