

Media Release

AGL Gloucester project will produce gas in NSW, for NSW

26 March 2014

AGL Energy Limited (AGL) today confirmed that natural gas from the Gloucester Gas Project will be wholly dedicated to the supply of homes and businesses in NSW, and not exported interstate or overseas.

AGL's Managing Director, Michael Fraser, has reassured the local and surrounding communities in Gloucester that AGL is committed to producing gas in NSW, for NSW.

"AGL supplies more than 60 percent of NSW's gas customers and we need the gas from Gloucester for them," Mr Fraser said.

"AGL confirms that all of the natural gas produced from Gloucester is for NSW customers. None of the natural gas will be sent interstate or exported overseas.

"At present NSW produces less than five percent of its own gas and imports the rest from interstate. NSW is vulnerable to a gas supply shortage because it's reliant upon gas from Queensland, South Australia and Victoria. Here in Gloucester we have the potential to bolster that locally produced gas figure to around 20 percent."

The Gloucester Gas Project Stage 1 has already been approved.

"The Gloucester Gas Project has been through many years of review, which included approval by the independent Planning Assessment Commission. It was also upheld by the Land and Environment court," Mr Fraser said.

"It's important that we now undertake the Waukivory Pilot testing to add to the knowledge about the area's gas and groundwater. Not only will it provide additional information for our water studies, the program is a requirement of the Federal Government for granting its approval."

Following AGL's recent half yearly financial results announcement and some media speculation, Mr Fraser made it clear that the Gloucester Gas Project was not in doubt.

"The Gloucester Gas Project has been designated by the NSW Government as a Strategic Energy Project," he said.

"It's clear we need to expand our natural gas supplies in this state, for the people of this state. AGL is committed to doing just this with absolute adherence to the safety and well being of the communities we work in."

AGL is an Australian company with a heritage dating back to 1837 and 44,000 of its shareholders are from NSW.





Facts about the Gloucester Gas Project:

- The project has State planning approval (which was upheld in the Land and Environment Court) and Commonwealth EPBC Act approval.
- The project is subject to 92 NSW Government conditions and 36 Commonwealth Government conditions (11 that relate to water) to ensure the environment is protected.
- AGL has installed 45 groundwater and nine surface water monitoring sites in the Gloucester Basin to ensure the most comprehensive water monitoring system is in place. Ten technical reports on the surface and groundwater systems are also available online.
- AGL's Review of Environmental Factors for the Waukivory Pilot Program is more than 1,000 pages. The report and addendum are available to read online at www.agl.com.au/gloucester.

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About AGL

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on over 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.