

Media Release

Essential underground gas pipeline will deliver gas to NSW homes and businesses

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AGL will construct a vital piece of infrastructure, a 95 kilometre natural gas pipeline linking Gloucester to the Newcastle area, which will deliver much-needed gas to families, businesses and industries in NSW.

The underground pipeline will transport gas between Stratford, near Gloucester, and the existing Sydney-Newcastle gas pipeline via AGL's Newcastle Gas Storage Facility located at Tomago, which is currently under construction.

The pipeline could be transporting more than 15 percent of the state's gas needs by 2018.

AGL's General Manager Commercial Development in Upstream Gas, Paul Ashby, said 1.1 million NSW consumers rely on natural gas every day for cooking, warming their houses and running hot baths and showers.

"AGL is committed to supplying the people of NSW with energy from natural coal seam gas and this pipeline will help ensure a reliable, steady source of gas for the state," Mr Ashby said.

"It is cheaper to deliver gas to NSW customers from NSW projects than import gas from interstate because transport and infrastructure costs are lower."

Mr Ashby said in order to build the pipeline, land access was needed. Following five years of extensive negotiations, AGL has access and compensation agreements in place for 146 properties along the pipeline route and agreements remain outstanding for only a handful of properties.

"The pipeline will be buried and once construction is completed, disturbed land will be rehabilitated and afterwards can be used for grazing and shallow cropping," he said.

"The pipeline easement is typically a small portion of land on a rural property and landowners are financially compensated by AGL."

AGL has already received the required State and Federal environmental approvals to construct the pipeline.

Pipeline construction is expected to commence in early 2015 along the route between Stratford and the Newcastle Gas Storage Facility at Tomago.



Kylie Keogh, Media Relations Manager
Upstream Gas
Direct: + 61 2 9921 2388
Mobile: +61 (0) 477 724 839
email: kkeogh@agl.com.au

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.