

DOWNSTREAM GAS SUPPLY AND AVAILABILITY IN NSW

Organisation: Regional Development Australia Riverina NSW
Name: Ms Lani Houston
Position: Chief Executive Officer
Date Received: 24/06/2013

The Committee Member
State and Regional Development Committee
Parliament House
Macquarie St
Sydney NSW 2000

24 June 2013

To Whom It May Concern

RE: Regional Development Australia (RDA) – Riverina submission to the ‘Downstream gas supply and availability in NSW inquiry’.

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RDA Riverina is providing advice and comment in regard to the following question;

‘the adequacy of transmission pipeline systems and distribution networks for future downstream gas needs and supply challenges’.

Background:

During consultation for the RDA Riverina Regional Plan that has been in place since 2009, a consistent strategy in the Riverina for improving and encouraging greater economic growth, diversity and industry innovation has been the development of infrastructure. Infrastructure highlighted has been transport (road and rail), utilities and telecommunications. These have been referred to as enablers for economic activity. In regard to utilities, gas has been a major concern as a number of Local Government Areas (Murrumbidgee Shire Council and Hay Shire Council) in the Riverina region do not currently have access to natural gas. RDA Riverina identified in its Regional Plan 2012-2015 (see p20) an action to “promote the extension of the natural gas network to include smaller communities across the Riverina” and a key performance indicator stating “gas network extended to service 1 additional LGA by 2015 in the Riverina region”. The RDA Riverina Regional Plan 2012- 2015 can be accessed from <http://www.rdariverina.org.au/f.ashx/RegPlan20122015c.pdf>

RDA Riverina over the past 2 years has had consultations with two separate businesses that have been investigating the feasibility of developing a solar and biomass energy generating facility in the Murrumbidgee Shire Council and both require access to natural gas. The most recent approach was on 19th June 2013 for the biomass facility (green, household and plastic waste) in Murrumbidgee Shire.

Discussions in March this year with Walnuts Australia who are developing a hulling and drying facility in Leeton Shire also revealed that access to the gas pipeline was going to be prohibitive from a cost perspective for their operation so they have had to make alternative arrangements.

Southern Cotton is also investigating access to gas for their newly established Cotton Gin at Whitton (Leeton Shire Council) and a Cotton Gin is also being investigated for the Hay Shire Council and access to gas would certainly improve the efficiency and viability of these operations.



In the western part of the Riverina region local government and industry are being forced to investigate different industry options, particularly those dependent on the agricultural sector to ensure they can be sustainable into the future, especially in a water constrained environment. Having access to natural gas is an enabler for diverse industry innovations.

Recommendations:

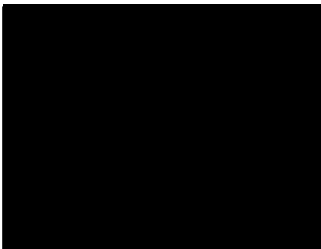
- Extend the existing gas transmission pipeline network and systems to include all the Local Government Areas in the Riverina particularly Murrumbidgee Shire and Hay Shire Council that don't currently have any access.
- Improve the capacity and cost structure of accessing the existing network so that accessing the network is not prohibitive to business and industry.

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RDA Riverina believes that acceptance of these two recommendations would contribute significantly to growth and prosperity for the community of the Riverina region.

If you would like further feedback or would like to discuss any of this information in detail please contact our CEO Lani Houston [REDACTED]

Yours sincerely,



Tom Watson
Chair
RDA Riverina