

**Submission
No 30**

DOWNSTREAM GAS SUPPLY AND AVAILABILITY IN NSW

Organisation: The Rock Progress Association
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I wrote to Chris Hartcher back in January 2013 and after receiving a non-informative reply, thought he would forward my letter to your committee, it appears he has not. So I have attached a copy of the subject letter and hope that you can consider the matters raised in it.

14 January 2013

**The Hon. Chris. Hartcher,
Minister for Resources and Energy
NSW Government.**

Dear Sir,

Assistance required regarding Natural Gas Reticulation at The Rock, NSW

I write this letter as Chairman and on behalf of The Rock Progress Association regarding assistance required to connect Natural Gas to our town.

The Rock is in the Riverina just south of Wagga Wagga and part of the Lockhart Shire. We have a population of a little over 1000 people. The town is on the main southern railway line and on the Olympic Highway.

I have resided in the town for only four years, although I have had an association with it for over forty-five years as my wife was born here. Since my return to the town on a permanent basis, the question of winter heating and gas supply has been raised by many members of the community. When I was elected Chairman of the local Progress Association a number of community members approached me and association members regarding the subject gas provision. As a result we convened a community meeting and invited representatives from Essential Energy and APA (Contractors to Envestra, the gas suppliers).

Following this meeting we conducted a survey of the towns people. There was an overwhelming response by those who completed the surveys, indicating a desire to connect to natural gas. This information was conveyed to APA for their consideration.

APA wrote to us, explaining that their interpretation of the surveys was that "a small number of townspeople are committed to supporting natural gas." That they believed there was insufficient gas load to support the significant cost to reticulate natural gas throughout the town.

APA went on to explain that the gas network is regulated and therefore has to meet guidelines that ensure all investments are economically viable. They further explained: *"Where these guidelines are not met, a shortfall contribution is required. As it stands, given the forecast gas loads from your survey a shortfall contribution of the order of several millions (sic) dollars would be required. The shortfall would be significantly reduced to the extent that additional customers, including industrial and commercial customers, and preferably large industrial customers, establish in The Rock and consume natural gas. **Alternatively, the NSW government could contribute in a manner similar to the Victorian government, under its "Energy for Regions' initiative."***

What is hard for the 'locals' to understand is that the main southern gas line passes our town just four kilometres to the east. The town of Uranquinty just to our north has less population but a power station and therefore is connected to natural gas. There are other towns between Wagga Wagga and Albury connected to the natural gas supply. We are constantly told of the pollution caused by wood fires, but they remain, in this town, the most common form of heating during the winter months as bottled gas and electricity is so expensive. We are aware that in some parts of the State consideration is being given to forcing the decommission of woodfires should somebody wish to sell their property. If you have no choice regarding cooking and heating than to use bottled gas/electricity, it can cost thousands of dollars per year. I spoke to one lady recently whose mother lives with her. In order to keep mother warm during the winter in a small lounge room, it is costing her \$100.00 per week to do so (disgraceful in this day and age). We have an ageing population and most want to live their remaining days in their own home.

Our town has a large retirement home, a Central School, a bowling club (the centre of entertainment and dining in the town), a hotel and other commercial premises, all of which use large quantities of bottled gas.

It seems however, in the absence of a large industrial complex (which is not likely to happen in a hurry) we are left with polluting wood fires, expensive bottled gas or electricity for heating, cooking, hot water etc. The establishment of an industrial complex argument is a bit like the 'chicken and the egg' argument, 'which comes first'?

The Rock needs natural gas; I am therefore requesting the NSW Government seriously consider covering or contributing to the cost of "natural gas reticulation" to The Rock Township.

Rob Martin
Chairman, The Rock Progress Association.