

**Submission
No 6**

DOWNSTREAM GAS SUPPLY AND AVAILABILITY IN NSW

Organisation: Greater Taree City Council
Name: Cr Alan Tickle
Position: Acting Mayor
Date Received: 24/05/2013

22 May 2013

The Committee Manager
State and Regional Development Committee
Parliament House
Macquarie Street
SYDNEY NSW 2000

Ref: 13/8959; S421
Enquiries: Richard Pamplin

Dear Sir/Madam

Re: Submission - Inquiry into downstream gas supply and availability in NSW

Thank you for the opportunity to make a submission in regard to the delivery of gas to consumers. Council's submission is provided below and has been prepared to accord with the terms of reference of this Inquiry.

- (a) *the adequacy of transmission pipeline systems and distribution networks for future downstream gas needs and supply challenges;*

Council believes that there should be incentives provided by the NSW government for investment in rural areas by gas providers to connect to towns and cities outside of metropolitan areas. Incentives or subsidies could be provided to not only provide connection to these population centres but also for connection of residences within these rural population centres.

- (b) *barriers to the expansion of downstream gas supply and distribution networks;*

Council believes that the main barrier to providers of gas is cost, which could be mitigated by through incentives or subsidies.

- (c) *the effectiveness of competition in the downstream gas market and consumer pricing implications;*

As the lack of gas connection to rural areas is seen by Council to be due to the cost to provide pipelines, incentives or subsidies may see more than one has provider interested in connecting to rural townships and cities and hence provide competition in this marketplace.

- (d) *the effectiveness of existing protections for consumers and measures to facilitate access to gas connection and supply; and*

Based upon the fact that rural areas such as Greater Taree are not connected to a gas supply Council believes that the existing mechanisms in place are not sufficient.

- (e) *possible measures to encourage gas network operators to extend existing distribution networks, including financial incentives of licence obligations, particularly in regional centres that do not have access to reticulated gas.*

No specific opinion.

Yours faithfully



Cr Alan Tickle

Acting Mayor

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