

Attachment 8

Customer Survey Summary

June 2018

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Attachment 8: Customer Survey Summary

Direct customer engagement and business development activities are carried out by APA Networks Commercial on AGN’s behalf. The following summarises the customer engagement undertaken to date, and how it underpins commercial and industrial connections forecasts for Monarto South and Kanmantoo.

Commercial and Industrial Customer Engagement

There are around 20 industrial businesses in Monarto South, Kanmantoo and Littlehampton. Physical surveys of these businesses identified at least 14 customers currently using bulk LPG or other fuels that could be replaced by natural gas. Of these, 10 were identified as chicken growers, with the other 10 comprising a mix of other food processing, manufacturing, logistics and mining businesses.

LPG and other fuels are generally used for process heat (as opposed to feedstock), and as such natural gas is also suitable for these applications.

APA Networks Commercial made contact with a number of these customers late in 2016 to gauge their current energy demand and interest in natural gas as summarised in Table 1 below.

Table 1: Summary of discussions with potential Industrial and Demand customers

Customer	Location	Insights
[REDACTED]	Monarto South	[REDACTED]
[REDACTED]	Kanmantoo	[REDACTED]
[REDACTED]	Monarto South	[REDACTED]
[REDACTED]	Littlehampton	[REDACTED]
[REDACTED]	Kanmantoo	[REDACTED]

Forecast Commercial and Industrial Connections

Based on the survey, we have assumed the following commercial and industrial customers in Monarto South and Kanmantoo will connect to the extension:

- [REDACTED] a demand connection at [REDACTED]
- Two further demand connections in Monarto South at 50 GJ MDQ, which is the minimum capacity requirement for demand connections, expected to come from the new industrial development
- [REDACTED] a large commercial connection at [REDACTED] based on its current LPG use
- Five chicken growers as large commercial connections at [REDACTED]

Conclusion

We have assumed three industrial Tariff D and five large commercial Tariff C connections at Monarto South, and one large commercial Tariff C at Kanmantoo over the next 20 years. We consider these assumptions to be conservative as we have not considered the full impact of the expansion of the Monarto South industrial precinct in the demand projections.

It can be problematic to forecast gas consumption for expanding industrial precincts due to the variability of industrial gas loads. We have therefore limited our forecast to existing businesses in the area with known energy requirements plus two additional connections over the next 20 years which could come from existing business not included in the forecast, or new growth in the area. We have also conservatively assumed these connections at the minimum demand requirement.