



## **Environmental Land Services (AUST) Pty. Ltd.**

ABN 14 380 892 123

7 September 2018

Sebastian Roberts  
General Manager Transmission and Gas  
GPO Box 3648  
Sydney NSW 2001

Dear Mr Roberts,

**Re: Mount Barker Gas Extension**

Thank you for the invitation to respond following the recent application lodged by Australian Gas Networks (AGN) for the extension of a high pressure main from Murray Bridge to Mt Barker.

Environmental Land Services (ELS) have reviewed the application put forward by AGN and would like to make the following comments.

ELS have been reticulating LPG in Mount Barker under our Gas Distribution License for approximately 10 years. In that time, we have observed a significant increase in the rate of urban development in the region of Mount Barker. ELS has been a stand-alone reticulated gas network operated in accordance with our Distribution License and overseen by ESCOSA and the OTR.

We are unable to comment on the local economic value of the availability of natural gas in Mount Barker due to our almost exclusive residential customer base. We would however like to provide the AER with some up-to-date facts on the growth of the ELS Network and customers who are now using reticulated gas that historically wouldn't have been available. As at September 2018 the Mount Barker ELS Network consist of the following:

- 31,000m of gas main installed
- 1220 Customers connected and consuming gas
- 200 Customer connections in construction
- 2050 Number of allotments with a gas supply
- 530 Number of allotments in planning and design 530
- 12 Number of separate Developments ELS supply gas to

ELS's gas network currently reticulates LPG although, the network has been designed and constructed to reticulate natural gas in the event natural gas becomes available. We understand the merit behind Natural Gas being delivered into a fast-growing urban environment such as Mount Barker and its surrounds. ELS has invested significant capital over a decade in the local region all without regulatory assistance. ELS has taken a long-term view in its investment approach to the construction, ownership and operation of its gas network in Mount Barker. Our investment has provided the local community with a cleaner, greener more efficient energy option to new residents.

We would support natural gas being available in Mount Barker and would seek to work with AGN in the most efficient way to deliver the gas to customers. We would caution that as part of any such capital works being considered by the AER for recovery via the current and future access arrangements that ELS is not placed at a commercial disadvantage as a consequence.

We remain available to answer any further questions should you require.

Kind Regards,

*Brett Gallagher*  
*Managing Director*

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