



**Gas Appliance  
Manufacturers  
Association of  
Australia**

### **Save the date - Thursday 15 June:**

The next GAMAA Technical Committee meeting will be held on **Thursday 15 June** commencing at 10am. The meeting will be held at L2, 441 St Kilda Road Melbourne. Additional information will be provided closer to the meeting.

### **E3 pricing review**

As reported at the GAMAA Technical Committee meeting 6 April; GAMAA and a number of other industry stakeholders have had recent discussions with Michelle Crocker (GEMS Regulator) regarding the proposed new pricings under the GEMS Fees Review.

A proposal outlining the proposed fee structure has been released in draft that would see an increase to GEMS fees for registered products which in its current drafting will disproportionately disadvantage registration fees for gas water heaters and electric water heaters. As well the GEMS paper revealed current administrative costs that seemed unreasonably high.

A working group was formed comprising members of GAMAA (Gareth Jennings, Ian Forte and Leon Bogers), CESA (Colin Doyle) and Ai Group (James Thomson). Rather than respond in writing, Gareth, Colin and James met with the E3 CEO, Michelle Croker, in person in Canberra. The meeting was very productive with the outcome being that Michelle would consider our concerns and issue "revised" proposal for further consideration.

We do not believe an increase in fees can be avoided, but GAMAA, CESA and Ai Group members have made it very clear that industry must sign off on the final GEMS determination documents presented to the relevant minister for signing to prevent unintended negative consequences as has transpired in the past.

GAMAA understands that E3 will reconsider its pricing model and report back in the near future. All GAMAA members will be kept informed of progress on this matter.

### **IGU Releases 2017 World LNG Report**

**April 5, 2017**

2016 Global LNG trade jumps 5% to set new record for third consecutive year, as LNG comes to the fore as a fuel of choice.

The International Gas Union (IGU) today released its 2017 World LNG Report, examining the current state of the Global LNG Industry. The latest report highlights the dynamic 2016 experienced by the global LNG industry – with significant growth in LNG supply projects, as well as increases in demand for LNG as a fuel from new and existing markets across the globe.

Global LNG trade in 2016 reached a record 258 million tonnes (MT) – an increase of 5% from 2015, and the largest ever year for LNG trade. This dramatic increase is particularly noticeable when compared with the average 0.5% growth rate of the previous four years.

This jump can primarily be attributed to a significant increase in new supply, due largely to the start of exports from the US Gulf of Mexico, as well as the start of commercial operations in Australia Pacific LNG, among others. These new projects come about as governments, businesses and consumers become increasingly aware of the advantages of natural gas in the global energy mix, and are encouraging trends pointing to further growth in the LNG market.

There were also significant increases in demand as LNG finds a role as a fuel of choice in new markets. The most pronounced increase in demand comes from Asian markets, with China's LNG consumption increasing dramatically by roughly 35% to 27 million tonnes per annum (MTPA). On the flip-side, some markets – including Japan and South Korea as the two largest – have shown signs of satiation as other forms of energy come to the fore, in part showing the flexible value of LNG as a fuel source. This was particularly prevalent in Brazil, where a resurgence in hydro power has reduced demand for LNG by 80%. [Read the full report here](#)

**On behalf of the GAMAA Executive we hope you and your families have an enjoyable and safe Easter break.**

**GAS  
Connections**