

**GAMAA Technical Committee meeting – REGISTER NOW!**

The next GAMAA Technical meeting will be held on Friday 20 July 2018 at L2, 441 St Kilda Road Melbourne, commencing at 10am – Ezo Alfonsetti (ESV) will be joining the meeting ----To register please email [associations@aigroup.com.au](mailto:associations@aigroup.com.au)

**AIE's Port Kembla Gas terminal gets government backing**

Gas Today Monday 25 June 2018

The New South Wales Government has declared the Port Kembla Gas Terminal (PKGT) as Critical State Significant Infrastructure (CSSI).

The award of CSSI status was warmly welcomed today by Andrew Forrest AO, the lead investor in the Australian Industrial Energy consortium (AIE), which is developing the PKGT.

“Today’s announcement of CSSI status for AIE’s Port Kembla Gas Terminal is a powerful demonstration of the Berejiklian Government’s commitment to solving the State’s critical gas security challenges,” said Mr Forrest.

“Australian manufacturers have asked us to work with them to solve their future gas supply issues and skyrocketing prices, which threaten their viability.

“We look forward to smartly overcoming those threats to business by developing the gas terminal in the shortest possible timeframe.”

Mr Forrest’s Squadron Energy, is investing in AIE alongside Japan’s JERA Inc. and Marubeni Corporation.

The terminal will have the ability to supply in excess of 100 PJ/a, sufficient to meet more than 70 per cent of NSW’s total gas needs. Read full article [here](#)

**An update on the National Energy Guarantee (NEG)**

[Ai Group Blog](#) Author: [Tennant Reed](#) 11 July 2018

The National Energy Guarantee (NEG) proposed by the Energy Security Board (ESB) and championed by the Federal Government is to be considered by the COAG Energy Council for possible approval on 10 August 2018. The detailed design has been developed over recent months in close consultation with expert Technical Working Groups in which Ai Group participated. The detail is extensive and complex, and Ai Group is continuing to consult with members to identify any last technical issues that need to be addressed.

The highest level design of the NEG is as follows:

- Emissions Obligation – direct customers in the National Electricity Market (“market customers” – electricity retailers and a handful of exceptionally large energy users) would have to ensure that the average emissions intensity of the generation they contract for is at or below a national target;
- Reliability Obligation – market customers and large energy users (above 5 megawatts of peak demand) would have to ensure that, if a shortfall in reliable supply looms, they cover their peak load with financial contracts or demand response to limit financial and physical risk;
- Liable parties under each obligation have flexibility to meet requirements at least cost, particularly through contracting.

The remaining issues with the NEG fall into three categories: the strategic context; technical issues; and political issues.

The **strategic context** for industry is that there is an increasingly urgent need to reduce the uncertainty of energy and climate policy in order to underpin investment by electricity suppliers and users. Forward prices are being reduced by the new generation capacity coming online over the next two years, but there is no clear pipeline beyond 2020. Old generation will continue to retire unless it is refurbished and extended, and the investment case for either new or upgraded assets can be heavily affected by the specifics of energy and climate policy.

Reducing the chaos and uncertainty of this policy space is essential to keep improving prices and maintaining supply security..... Read the full Blog [here](#)



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