

20 May 2016

COAG Energy Council Secretariat

Department of Industry, Innovation and Science
GPO Box 9839
CANBERRA ACT 2601

Via email: energycouncil@industry.gov.au

Re: Gas Supply Strategy Implementation Plan**To Whom It May Concern:**

Australian Gas Networks Limited (AGN) is one of Australia's largest natural gas distribution companies. AGN owns approximately 23,000 kilometres of natural gas distribution networks and 1,100 kilometres of transmission pipelines, serving over 1.2 million customers in South Australia, Victoria, Queensland, New South Wales and the Northern Territory.

AGN welcomes the opportunity to make a submission to the COAG Energy Council's (the Council's) "*Gas Supply Strategy Implementation Plan*" consultation paper. AGN understands that submissions in relation to this paper are to be used to inform the Implementation Plan to be presented to the Council mid-2016.

Natural gas is a low carbon energy choice for Australia, and AGN considers it has an important role to play in any future low carbon energy network. Our network delivers safe and reliable energy with significantly lower carbon intensity than electricity. Additionally, the continued use of natural gas ensures a diversified energy mix in Australia, thereby increasing the security of energy supply to customers.

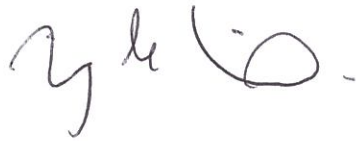
Considering the potential role of distributed natural gas in assisting with Australia's transition to a low carbon economy, AGN is supportive of the four opportunities the Council has identified:

- 1 Improving information on gas reserves and production potential.
- 2 Improving public availability and accessibility of rigorous science and factual information.
- 3 Consideration of leading practice regulatory frameworks that effectively manage the risks and address issues for all conventional and unconventional gas resources.
- 4 Supporting leading practices in industry to support responsible development.

In particular, AGN considers there is significant value in the Council encouraging and facilitating a well-informed and fact-based debate on the merits of coal-seam gas. This reflects the potential for increased gas supply, including from coal seam gas, to materially improve the long-term interests of gas consumers with respect to price.

Please contact either Ashley Muldrew (08 8418 1115) or myself (08 8418 1129) if you would like to discuss this submission further.

Yours sincerely,



Craig de Laine
General Manager - Regulation