



ASX & Media Release

Newcastle Gas Storage Facility project receives approval

19 July 2012

AGL Energy Limited (AGL) has confirmed today that it has received Commonwealth Government approval to commence construction of the Newcastle Gas Storage Facility project at Tomago, near Newcastle. CBI Constructors Pty Ltd (CBI) has been awarded the contract to engineer, procure and construct the project which is expected to commence with site preparation in around four weeks.

Mike Moraza, Group General Manager Upstream Gas, said: "The facility will enable AGL to meet the growing demand for gas by the people and businesses of New South Wales. New South Wales customers will benefit from the facility which will enable AGL to help provide security of gas supply by managing peak gas demand and pipeline constraints."

"A further benefit for the community will be the creation of an estimated 300 local jobs during construction. An ongoing permanent AGL workforce of 15 employees will also operate the facility when it is complete," said Mr Moraza.

The facility comprises:

- a processing plant that will convert pipeline natural gas to liquefied natural gas (LNG) by cooling the gas to -162°C. It will be capable of processing up to 66,500 tonnes of LNG per year;
- an insulated, non-pressurised LNG storage tank capable of containing 30,000 tonnes or 63,000 cubic metres of LNG, equivalent to 1.5 petajoules of natural gas within an associated containment area; and
- a re-gasification unit to convert the LNG in the storage tank back into natural gas for delivery into the gas network at Hexham.

The \$310 million project is expected to be operational in April 2015.

AGL has prepared a comprehensive ecological assessment and impact mitigation plan and has been working with the appropriate authorities to ensure protection of local flora and fauna prior to and during construction.

"We are committed to ensuring that the project is delivered in a safe, sustainable and professional manner and will continue to work with the project's community consultative committee to ensure regular project updates, seek their review and input on project matters, and to understand and address community issues," said Mr Moraza.

For more information about the Newcastle Gas Storage Facility visit:
www.agl.com.au/ngsf.



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About AGL

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.