

South Australia's Gas Industry

The South Australian gas industry comprises participants in the production, transmission, distribution and retailing sectors.

These sectors take natural gas from the point of extraction – the well head – to the point of consumption – the burner tip.

The Essential Services Commission of SA licenses participants in the distribution and retailing sectors.

Production

Natural gas in South Australia is extracted from the Cooper basin in the far north of the state. Natural gas supplied to South Australia is also extracted from the gas basin in Victoria.

Transmission

Gas is transported from the production fields by means of transmission pipelines. These transmission pipelines transport large volumes of natural gas under high pressure.

In South Australia, there are two major transmission pipelines:

- the Moomba-Adelaide pipeline, which transports gas from the Cooper Basin to Adelaide (owned and operated by Epic Energy); and
- the SEAGas pipeline, which transports gas from the Otway and Bass basins to Adelaide (owned and operated by SEAGas).

Distribution

Gas is transported by the transmission pipeline feeds into the distribution pipe network. (Gate stations link transmission pipelines and distribution pipelines).

The distribution pipe network transports the gas to residential and businesses customers.

The gas in the distribution network is transported at lower pressures and in smaller volumes than along the transmission pipeline. The distribution network in South Australia is owned by Envestra.

Retail

Energy retailers sell natural gas to “end user” consumers such as residential households and businesses.

Unlike electricity retailers who buy electricity through the National Electricity Market (NEM), gas retailers operate in a “contract carriage market” where they must have contractual arrangements in place for purchase (with gas producers such as Santos), transmission (with Epic Energy or SEAGas) and distribution (with Envestra) of gas.

The wholesale gas price and terms and conditions of supply are governed by these agreements.

Contact Information

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www.escosa.sa.gov.au

SA licensed energy retailers

For a list of licensed electricity and gas retailers and details on consumer protections in the energy retail sector please refer to the Australian Energy Regulator (AER).

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www.aer.gov.au