

Commercial gas expansion boosts WA economy

Written by Mike Nahan

Wednesday, 18 September 2013 14:33



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- **Western Australia's only commercial gas storage facility opened in Mid-West**
- **New facility will improve energy security for Perth and the South-West**

The flexibility and security of Western Australia's gas market has been boosted by the expansion of the State's only commercial gas storage facility.

Energy Minister Mike Nahan said the Mondarra Gas Storage Facility had been expanded in line with recommendations following the 2008 Varanus Island gas supply disruption.

Today's opening follows a decision by the State Government in May 2011 to approve a long-term arrangement between Verve Energy and the APA Group to further develop the Mondarra Gas Storage Facility.

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Dr Nahan said the expanded facility was now operating, which would help strengthen the security and reliability of gas supplies for industry, as well as gas and electricity consumers.

The Minister said the Mondarra facility near Dongara was only the second of its type in Australia.

The expansion has increased its commercial gas storage capacity by five times from three petajoules to 15 petajoules.

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Dr Nahan said the gas stored at Mondarra on behalf of Verve Energy could supply Perth's power needs for up to two months, in the event of a major disruption to gas supply.

"The expansion has greatly increased Mondarra's storage and delivery capability, which means industry will be better able to maintain operations in the face of energy outages by drawing on gas stored at Mondarra," he said.

"I congratulate the APA Group for working with industry to get the development of the facility's expansion up and running, and for delivering on this important project.

The Minister said Verve Energy would be able to store spare gas for use at another time.

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Facility customers will also be able to take advantage of opportunities to purchase gas when short term 'spot' wholesale gas prices are low, which reduces exposure to high priced gas and reduces business costs.

Fact File

- **Gas at Mondarra is stored in a depleted gas reservoir of porous rock at a depth of about 2,800 metres**
- **Gas can be repeatedly injected and withdrawn from the reservoir and can stay underground indefinitely without leakage or deterioration in quality**
- **The gas is transported to customers through the Dampier to Bunbury Gas Pipeline and the Parmelia Gas Pipeline**