



Media Statement

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WA's gas customers could receive lower gas prices

West Australian consumers could enjoy lower gas prices if the Economic Regulation Authority's reductions to network tariffs are passed on by gas retailers, says chair Nicky Cusworth.

The ERA has approved network pricing changes for the Mid-West and South-West Gas Distribution Systems that will result in lower gas prices for most consumers if the cost reductions are passed through by gas retailers.

ATCO Gas Australia (ATCO) owns the gas network that retailers such as Alinta and Kleenheat use to deliver natural gas to homes and businesses in the south west and mid-west of Western Australia . ATCO's network charges are subject to review by the ERA.

Ms Cusworth said the ERA's last review completed in 2015, for the period up until the end of 2019, found that ATCO did not demonstrate that all of its proposed expenditure was prudent or efficient.

"The ERA's decision resulted in network tariffs that would fall each year until 2019," she said.

"The average residential customer could see their annual gas bill fall by around \$17 in 2017. This is in addition to a \$20 lower gas bill that should have been received by the average residential customer in 2016 if retailers passed on the full saving."

A residential retail gas bill reflects the costs of gas production, transmission, distribution and retailing.

The gas distribution systems provide reticulated natural gas to areas including Perth, Bunbury, Busselton, Capel, Eneabba, Geraldton, Harvey, Kemerton, Mandurah and Pinjarra. These combined networks cover around 13,500km, connecting around 700,000 end users to natural gas.

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