

## Expansion For Queensland Gas Pipeline

**A**linta is to invest \$A112 million on compression and looping to expand the Queensland gas pipeline. That follows a decision from Rio Tinto Aluminium to expand its Yarwun alumina refinery at Gladstone.

Following the completion of the expansion, the pipeline will have an installed capacity of approximately 49 PJ/a. As a result of the Yarwun expansion, Rio Tinto and Origin Energy have also entered into a gas supply agreement which will see 470 PJ of CSG delivered to the refinery. Gas supplies should commence by July 2010, following completion of the pipeline expansion, and will ramp up to 22.8 PJ/a for 20 years.

Origin CEO, Karen Moses, said the company will spend an estimated \$260 million to further develop its Walloon coal seam gas fields to supply supply for the recently announced Darling Downs Power Station project requirements. "The Rio Tinto Aluminium contract further monetises Origin's extensive coal seam gas resources in Queensland. These contracts help demonstrate Origin's position as a leading coal seam gas producer in Australia."

The Origin boss added that Rio Tinto Aluminium's decision to enter into a long-term gas contract was welcome news for the environment. "Gas used to produce electricity in a cogeneration facility creates about half the greenhouse gas emissions of an equivalent coal-fired power station, delivering a more environmentally sustainable fuel source for the expansion of the Yarwun refinery. This project shows how Origin, working together with our business partners, can make a difference", Moses said. ■