

# Natural Gas provides savings for The Old Woolstore

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Alan Nelson  
Operations Manager

Since switching part of its Hobart site to natural gas in December 2008, The Old Woolstore Apartment Hotel has reduced its energy consumption in that part of the Hotel by nearly one quarter.

Operations manager Alan Nelson said in the six months December 2008 to May 2009, The Old Woolstore had reduced electricity usage in the converted part of the Hotel by 30 per cent and combined LPG and electricity usage by 23 per cent compared to December 07 to May 08.

“Switching to natural gas has delivered the hotel significant cost savings,” he said.

“Importantly, the cost of conversion will quickly pay for itself - we will cover all of our conversion costs within 18 months.”

Mr Nelson said the decision to switch from LPG and electricity to natural gas was basically a financial one. >

To assist in the decision-making process, Tas Gas prepared a draft business case to demonstrate the cost savings and payback period.

“Natural gas had been plumbed into Macquarie Street and the forecasts about where electricity prices were heading caused us some concern,” Mr Nelson said.

“Natural gas was already very cost competitive six months ago. Our cost savings have already been significant, without taking account of the latest round of electricity price increases, so the financial benefit will be even greater in the future.”

Mr Nelson said while the conversion to switch from LPG and electricity to natural gas took some time to complete, it was a relatively easy process.

“We understand ours was the largest installation undertaken in a hotel property at the time,” he said.

“The work was managed by Ablaze Engineering, which did an excellent job.

“Since we started consuming, it has gone very well, as reflected by the usage statistics we have kept in the six months since connecting.”

The hotel has converted three dryers in its laundry to natural gas, and all kitchen equipment, including its deep fryer, stoves and salamander broiler, which provides reliability and consistency.

Hot water for the kitchen, restaurant and laundry is now heated by natural gas, as is hot water for the 124 rooms in the stage two-accommodation block.

**Enquire now about  
connecting your  
business to Natural Gas**

1 Macquarie Street  
Hobart TAS 7000  
Phone 03 6235 5355

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[www.tasgas.com.au](http://www.tasgas.com.au)  
1800 438 427 | 03 6336 9386