

25 February 2025

Secretary
Legislative Scrutiny Committee
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Dear Committee Secretary,

RE: NORTHERN TERRITORY COORDINATOR BILL 2025 (Serial 17)

Australian Energy Producers welcomes the *Northern Territory Coordinator Bill 2025* and views it as a positive step toward attracting investment and enhancing the economic and energy security benefits of the Territory's natural gas resources.

The Northern Territory petroleum industry recommends the Bill be passed.

Natural gas plays a pivotal role in powering the economy of the Northern Territory by providing a reliable, affordable energy source for industries, communities, and households. Its cleaner combustion relative to coal and oil significantly reduces harmful emissions, contributing to improved air quality and supporting local environmental goals. This cleaner energy alternative is essential for meeting the Territory's climate commitments while fueling sustainable growth and industrial development.

Moreover, natural gas infrastructure projects generate numerous local job opportunities and attract both domestic and international investments, spurring economic diversification and long-term stability. **The enhanced energy security provided by natural gas allows for the expansion of key sectors such as oil and gas, mining, manufacturing, agriculture, and tourism. Remote communities benefit from a stable power supply where conventional grids may be unreliable, ensuring continuous energy availability** and supporting innovative hybrid renewable solutions.

Furthermore, the reliable performance of natural gas supports critical public services, healthcare, and education facilities, ultimately improving quality of life across the region. The strategic extraction of natural gas is also driving energy technology research, enhancing economic resilience and fostering innovation. By balancing economic growth with environmental responsibility, natural gas is a cornerstone resource for building a resilient, prosperous future for the Northern Territory.

The timely development of the Northern Territory's vast gas resources represents a significant economic and societal opportunity for all Territorians. The oil and gas industry employs more than 6,000 Territorians, including in regional areas, and contributes around \$5.8 billion annually

to the economy¹. Natural gas currently meets 70% of the Territory's energy needs and will play an important and long-term role in ensuring reliable and affordable energy for the NT's households and industry. The NT is also a major source of potential new gas supply to address looming shortfalls in Australia's southern states, and to meet growing demand in our region. Australian Energy Producers considers the Bill, if properly enacted, will assist the Territory in attracting investment and realising the substantial economic and energy security benefits of its natural gas resources.

The Territory Coordinator Bill will improve the coordination of Government resources, streamline regulatory approvals and address inefficiencies.

We refer to our submission of January 2025, which raised several points that continue to be relevant for the consideration of the Bill, including:

- **Confidentiality safeguards for information sharing:** Section 13 powers to request information or sharing of information/materials should be subject to confidentiality considerations (e.g., commercial confidentiality, privacy considerations). Appropriate protections should be in place to prevent a proponent's confidential/sensitive information being shared with another proponent.
- **The Bill should ensure due protections for private agreements:** Further consideration is required on how the OTC can constructively engage with agreements and protections outlined in Section 14, to ensure that the perspectives of the OTC are fully considered in relevant decision-making processes, and that Section 14 does not prevent the achievement or strengthening of mutually beneficial outcomes.
- **Reasonable notice be given to proponents before step-in interventions:** (Part 5, Div 3, Subdivision 1) reasonable notice should be given if 'step-in' powers are to be exercised. Proponents should then be given the opportunity to adequately address matters relevant to application of the 'Primary Principles' in approvals documentation.
- **Timely approvals:** Consideration of financial and contractual impacts on projects with regards to sections 53(1)(b) & 53(3) of the Bill. These conditions could pause or delay approvals assessment, which would have negative impacts on exploration, appraisal and/or development areas (such as the Beetaloo Sub-basin) where investment or contractual obligations have been made prior to obtaining approvals. This would subsequently disincentivise further investment in oil and gas projects in the Northern Territory.
- **Establishment of prioritisation mechanisms like the Queensland Coordinator General:** This would create flexibility in regulatory powers to address issues on a case-by-case basis, including the ability to issue exemption notices.

¹ dtbar.nt.gov.au/publications/reports/economic-valuation-of-the-maritime-agribusiness-minerals-oil-and-gas-industries

- **Consideration should be given to development area time limit extensions for large-scale projects (e.g., the Beetaloo Sub-basin development):** The duration of development areas should be reconsidered and a mechanism to extend added. The four-year period for Territory development areas which has no clear mechanism to extend, may be insufficient for completing large-scale projects.
- **Strengthening collaboration with the surrounding States (e.g., for pipeline projects):** Greater emphasis should be placed on facilitating cross-border projects. Coordination with neighbouring States for projects like pipelines or roads requires greater emphasis in the Bill to ensure such projects are adequately supported.
- **Broader regulatory reform to optimise the Bill's benefits:** This may be required to fully realise the benefits of the Territory Coordinator and to avoid the Bill's objectives being thwarted by practical constraints.

Australian Energy Producers still wish to see further consideration of these points, noting that much clarification could be provided through non-legislative policies and guidance. As such, Australian Energy Producers reiterates its support of the Bill.

Australian Energy Producers remains committed to working with the NT Government to balance economic growth, energy security, and infrastructure development, while ensuring transparency and fairness for industry stakeholders.

Yours sincerely,



David Slama
Director, NT
Australian Energy Producers