

6 February 2026

Australian Competition and Consumer Commission
Gas Inquiry 2017–30

Re: LNG Netback Price Methodology Review

Australian Energy Producers welcomes the opportunity to comment on the ACCC's review of the LNG netback price methodology.

The Australian oil and gas industry considers the current LNG netback methodology to be appropriate and fit for purpose in its intended role as an informational tool to improve transparency around export parity pricing in the East Coast Gas Market. The methodology provides a consistent, high-level reference that supports understanding of the relationship between domestic gas markets and international LNG prices.

It is, however, important that the LNG netback price series is not applied beyond this original intent. In particular, it should not be used as a benchmark for domestic pricing outcomes, a regulatory price reference, or a trading or financial market benchmark. Further, the medium-term, oil-linked LNG netback price, is not an appropriate basis for comparison with short-term domestic gas prices. Extending its use in these ways risks misinterpretation and could lead to unintended impacts on market behaviour and commercial negotiations.

Industry therefore supports the continued publication of the LNG netback series using the current methodology, provided it remains clearly positioned as a transparency and information tool only. Preserving this clarity is essential to ensuring the series continues to serve its intended purpose without undermining efficient market functioning.

Australian Energy Producers would welcome further discussion as the review progresses.

Yours sincerely



**Chief Executive
Australian Energy Producers**

Head Office

GPO Box 2201 Canberra ACT 2601
+61 2 6247 0960 | contact@energyproducers.au

Australian Energy Producers Limited

energyproducers.au

ABN 44 000 292 713