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Gas Statement of Opportunities confirms health of WA gas market

Today's launch of Western Australia's Gas Bulletin Board and first *Gas Statement of Opportunities* (GSOO) confirms that WA has more than enough natural gas for both domestic and export markets.

In the GSOO, the Independent Market Operator forecasts strong annual growth for Western Australian domestic gas supply at 3.7 per cent, compared to average growth for domestic gas demand of 1.1 per cent each year. Figures on page 5 of the report show that the level of gas available to supply the domestic market will be well in excess of demand.

Stedman Ellis, Chief Operating Officer – Western Region at APPEA said: "The forecasts from Western Australia's first *Gas Statement of Opportunities* put to rest any claims that the WA gas market is not 'working' or that there is an imminent supply shortfall.

"APPEA has long advocated the development of the GSOO and a Gas Bulletin Board in the State as a way to increase market transparency and liquidity and welcomes this positive step forward.

"The GSOO notes that by 2016 WA will have transitioned from two to six domestic gas suppliers. This increase in supply will meet growing domestic gas demand and enhance energy security.

"Development of WA's domestic gas market has been driven by market forces, price movements and the growth of the gas export industry, not by interfering with commercial incentives.

"This is consistent with our long-held view that WA's long-term energy security is best delivered through efficiently operating markets and by encouraging new entrants and competition. In light of the GSOO forecasts, APPEA looks forward to the WA Government's proposed review of the domestic gas reservation policy in 2014-15.

"The GSOO also highlights the growing international competition for the next wave of investment facing Australia's natural gas industry. The overriding challenge across the resources sector is maintaining our international competitiveness in an increasingly high-cost environment."

This week the natural gas industry launched a multi-million dollar national campaign to inform Australians of the escalating risks that threaten future jobs, investment, and the next wave of the resources boom.

For more information and to register support see www.ournaturaladvantage.com.au

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