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New report highlights opportunities for growth in WA gas market

The latest Gas Statement of Opportunities (GSOO) released today by WA's Independent Market Operator demonstrates the potential for increased demand for natural gas as a lower-cost, cleaner fuel for the State's energy-hungry industries.

APPEA's Chief Operating Officer Western Region Stedman Ellis said: "The GSOO adds to the recent International Energy Agency World Energy Outlook findings that highlight the important role that natural gas can play as a competitively priced and cleaner-burning fuel for both industrial and residential use.

"The use of domestic LNG and compressed natural gas facilities has the potential to make gas supply accessible to remote areas of Western Australia while also increasing gas demand as a substitute for diesel.

"The GSOO forecasts that WA will be well supplied out to 2024 on the back of significant investment in gas processing capacity.

"Importantly, domestically focused gas producers have the processing capacity in place to supply around 95 per cent of WA's domestic gas needs.

"There have been significant discoveries of natural gas onshore in the Mid-West in 2014 and 2015 that are trying to find a way to market.

"However, the state's gas reservation policy continues to stifle the increased energy security, investment, jobs and royalties that will come with a growing onshore gas industry.

"The State Government should focus on facilitating investment in the onshore sector by means other than penalising investment in offshore gas.

"With the recent collapse in private sector investment in Australia, removing the reservation policy would send a strong signal to investors that WA is open for business."

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