7 June 2016

Delayed Victorian decision one last chance to get it right Statement from APPEA Chief Executive Dr Malcolm Roberts

The Victorian Government's decision to delay its response to the parliamentary inquiry into unconventional gas is an opportunity for the government to make the right long-term decision for the families and businesses relying on natural gas.

APPEA and its members look forward to meeting with Victorian Resources Minister Wade Noonan before a final decision on the future of onshore gas operations in Victoria is made in August.

Industry has long argued Victoria needs to lift its onshore gas exploration ban to secure future supply for households, businesses and manufacturing sector.

Victoria is the only mainland state in Australia with a ban on new investment to develop its onshore gas resources, which leaves more than 1.8 million customers exposed to unnecessarily higher gas prices.

We are disappointed the government has not already removed the uncertainty. With output from existing gas fields expected to decline from 2017, time is running out to bring new supply into the market.

This should not be a difficult decision to make. A long list of independent scientific inquiries have confirmed that onshore gas production is safe when properly regulated. The benefits to regional Queensland are well documented.

The recently released Australian Competition and Consumer Commission (ACCC) *East Coast Gas Inquiry Report* recommended:

Governments should consider adopting regulatory regimes to manage the risks of individual gas supply projects on a case by case basis rather than using blanket moratoria.

The report added:

... allowing new sources of gas supply to be developed is likely to put downward pressure on domestic gas prices.

We encourage the government and the community to make informed judgements based on facts, not misleading scare campaigns.

Media contact: Chris Ward 0408 033 422 or cward@appea.com.au