



19 August 2016

## COAG gas strategy welcome, but Victoria must be part of the national solution

The Council of Australian Governments' Energy Council meeting in Canberra today has sent a clear message – gas development is an urgent national priority to protect jobs, ease price pressures on consumers and support the transition to a cleaner energy sector.

APPEA Chief Executive Dr Malcolm Roberts welcomed the Council's support for increasing gas supply and the number of gas suppliers.

"The implementation plan for the Gas Supply Strategy is a welcome move to encourage more competition and transparency in the east coast gas market," Dr Roberts said.

"APPEA supports the establishment of a reform group to drive the changes recommended by the Australian Competition and Consumer Commission and the Australian Energy Market Commission.

"It is important that work on these reforms starts quickly, with industry and consumers involved at all stages.

"But the strategy and market reforms can only achieve so much if some governments maintain or threaten new regulatory restrictions on gas development.

"The essential ingredient for a gas market is gas.

"The east coast gas market is at a tipping point. Tight market conditions are already inflicting real economic and social costs.

"Governments have been warned by their own agencies that we risk a supply shortfall by 2019 if new gas reserves are not developed urgently. And the states that are the most vulnerable are the ones that have not developed their own resources.

"Victoria must lift its onshore gas moratorium for the sake of local customers and industry. There is no environmental justification to prohibit onshore gas exploration and development.

"Without firm action from all states, families and businesses will face higher energy costs, investment in manufacturing will be threatened, and Australia's transition to a low emissions future will be much more difficult."

Dr Roberts said a report prepared by APPEA for COAG highlighted the positive impact onshore gas was making to the Australian economy and regional communities.

He said Australia was already dependent on unconventional gas reserves with coal seam gas (CSG) accounting for 90 per cent of reserves on the east coast and 40 per cent of consumption.

"The Unconventional Gas in Australia report shows an industry that is safe and successfully co-existing with agriculture and other land uses," Dr Roberts said.

The Unconventional Gas in Australia report can be found [at this link](#).

**Media contact: Kieran Murphy – 0408 151 922 – [kmurphy@appea.com.au](mailto:kmurphy@appea.com.au)**