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Chevron's Bight decision shows energy investment cannot be taken for granted

Chevron's decision to not continue its Great Australian Bight exploration program is disappointing – for the wider Australian community who need new local energy supply, and for South Australians who would have benefitted from the activity.

APPEA's Director South Australia Matthew Doman said success in the Bight would ease Australia's reliance on imported oil and deliver the state much-needed new investment and jobs.

"Chevron has made clear its view that the resource potential of the Great Australian Bight remains significant but their decision is a reminder that much-needed investment in developing Australia's energy resources cannot be taken for granted," Mr Doman said.

"While several other companies continue to develop exploration plans for the Bight, the international environment for the oil and gas industry is challenging.

"With the oil price halving over the last three years, exploration activity around the world is at very low levels. Global exploration spending is expected to fall this year for the third year in a row to less than half 2014 levels.

"In Australia, onshore and offshore oil and gas exploration is at 30-year lows – due to difficult market conditions, escalating regulatory costs and political bans on energy development."

Mr Doman said the economic and energy benefits of successful petroleum development in the Bight would be substantial.

He said any industry activity in the Bight would only proceed under the highest environmental standards, and only after wide community consultation and close scrutiny by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

"The industry will continue to work with local stakeholders and the wider community to build understanding of the benefits and impacts of offshore petroleum activity to South Australians," Mr Doman said.

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