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APPEA welcomes APLNG's latest domestic gas sales

APPEA welcomes today's announcement by Australia Pacific LNG that it will supply a further 41 petajoules (PJ) of gas to the east coast gas market.

The gas sales agreement with Origin will cover around two-thirds of the gas supply shortfall forecast for 2018. It boosts Australia Pacific LNG's domestic contracted gas supply for next year to more than 186 PJ, or almost 30 per cent of the market's demand.

APPEA Chief Executive Dr Malcolm Roberts said the deal was further proof that Australia's east coast LNG industry is committed to supplying gas to the domestic market.

"The LNG projects gave a commitment that there would not be a gas shortfall on the east coast in 2018 and they are delivering," Dr Roberts said.

"Queensland's gas industry is producing enough gas to meet its export commitments *and* supply the domestic market.

"Further south, the failure of New South Wales and Victoria to develop their own gas supply means customers in those states are paying a premium for their gas. The Australian Competition and Consumer Commission says transport costs add 25 per cent to the price southern customers pay for Queensland gas.

"Interstate gas will always be more expensive than local supply.

"While today's announcement highlights the LNG industry's strong commitment to the domestic market, it also highlights yet again the failure of NSW and Victoria to support the safe and sustainable development of their own gas supply.

"It is well past time for a coordinated effort by the Commonwealth, States and the Northern Territory to support a strategy to develop east coast gas supply.

"The consequences of politics as usual are becoming too obvious to be ignored."

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