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More Queensland exploration good news for gas users

The success of GLNG and bidding partner Australia Pacific LNG (APLNG) in securing exploration rights for new natural gas resources in Queensland's Bowen Basin is a big win for gas users.

The Queensland Minister for Natural Resources and Mines, Dr Anthony Lynham, has announced that the companies have been awarded an 'Authority to Prospect' across an 86 square kilometre area known as PLR2016/17-1A (Arcadia West).

APPEA Queensland Director Rhys Turner said the announcement was the latest in a string of new Queensland projects aimed at bringing more gas to market.

"In the past year we have seen significant announcements from Arrow Energy, Shell Australia, and Senex to bring on new supply," Mr Turner said.

"At the end of February, Santos announced that it would spend close to a billion dollars on its Roma East project, while APLNG is expected to spend \$3 billion on activities this calendar year.

"While other states dither or, worse, lock-up urgently needed gas resources, Queensland is getting on with the job. The Queensland Government recognises that the only way to put downward pressure on prices is to increase supply."

Mr Turner said the Queensland economy was a major beneficiary of gas development.

"In 2015-16 alone, Queensland's gas industry directly and indirectly supported almost 40,000 jobs and provided more than \$12 billion in total value-added activities in the state through direct, indirect and consumption-based activities," he said.

"New South Wales and Victoria should take note. Saying no to gas development means saying no to jobs, royalties and lower energy prices.

"The failure of NSW 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 can add 25 per cent to the price southern customers pay for Queensland gas.

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

"As the head of the International Energy Agency warned when he was in Australia earlier this year, removing the senseless state bans and restrictions on gas operations is essential if Australia is to deliver secure and affordable energy."

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