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New gas infrastructure to deliver gas to the east coast

The announcement today by Senex Energy that an agreement has been struck with pipeline operator Jemena to fast-track the development of a new gas processing and pipeline facility in Queensland's Surat Basin is welcome news for local gas customers.

APPEA's Queensland Director Rhys Turner said that the development of a gas processing facility and a new 60km pipeline together known as Project Atlas will bring gas to the Wallumbilla Hub and from there into the domestic market.

"Over the life of the project it is expected that \$140 million will be invested, supporting over 200 jobs during the construction phase," Mr Turner said.

"This announcement is the latest in a string of new Queensland projects 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.

"At the end of February, Santos announced that it would spend almost 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."

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

"In 2016-17 alone, Queensland's gas industry supported, directly and indirectly, over 27,000 jobs and provided more than \$9 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."

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