



28 March 2019

Industry delivering for domestic gas market

Today's release of the Australian Energy Market Operator's (AEMO) *2019 Gas Statement of Opportunities* (GSOO) confirms the actions taken by the industry to bring more gas into the domestic market will ensure domestic gas supply to at least 2023.

APPEA Director Economics Damian Dwyer said the GSOO finds the industry has increased substantially the flow of gas to the east coast domestic market and this will continue into the future.

"There have been a significant number of new gas supply agreements announced in 2017, 2018 and so far in 2019 providing gas to domestic customers," Mr Dwyer said.

"The gas industry announced billions of dollars in new investment in 2018 and beyond, to bring more gas into the market, supporting both domestic gas consumption and the gas export projects that are underpinning much of Australia's economic growth.

"In the past two years, we have seen significant announcements from Arrow Energy, Shell Australia, Senex, Cooper Energy, Strike Energy, GLNG, Australia Pacific LNG, Origin Energy and Santos to bring on new supply in various parts of eastern Australia.

"Together with the revised demand and supply outlooks developed by AEMO, they mean the industry continues to meet in full the commitments provided to the Federal Government in 2017 and reaffirmed in 2018.

"This year's GSOO, as with many of the previous GSOO, noted further action by both industry and governments will be required to bring more gas into the east coast domestic gas market beyond 2024.

"The GSOO finds that meeting demand over that period will require substantial and ongoing industry investment to commercialise existing reserves and resources and finding new sources of supply.

"With exploration at record low levels, this analysis reinforces how vital it is for all governments to support developing new gas supplies as quickly and as cheaply as possible.

"This requires a focus from the newly re-elected NSW government to support the development of its identified onshore gas resources and ease regulatory burdens to developing that new supply, and for the Victorian government to urgently remove the bans and moratoriums in that state.

"As AEMO finds, these remain important barriers to increasing energy security and placing downward pressure on prices.

"Action to develop our gas reserves and resources to ensure more gas supply and more gas suppliers is the most enduring and sustainable way forward. Making this happen should be the focus of all governments."

Media contact: Brad Watts – 0438 875 606 – bwatts@appea.com.au