



17 April 2019

New contract shows Queensland industry meeting gas needs

Today's announcement that Senex Energy has signed a gas supply contract with Queensland manufacturer CSR Limited highlights the critical importance of developing new gas resources and the response the oil and gas industry is taking to accelerate the delivery of new supply.

APPEA Chief Executive Andrew McConville said the industry was responding to the Queensland Government's proactive approach to gas development which was also delivering supply to many manufacturers in southern states, whose governments have dithered or banned gas production.

"Queensland's open for business attitude is delivering for regional communities which are benefiting from a diversified economy and low unemployment rates, and is helping homes and businesses right around eastern Australia," Mr McConville said.

"Natural gas is an essential feedstock for many Australian manufacturers. Over 200,000 people work in manufacturing jobs that rely heavily on gas. There is no substitute for natural gas in many manufacturing processes."

Senex's new supply contract is part of the billions of dollars in investment undertaken by the gas industry to bring more gas into the market, supporting both domestic gas consumption and 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, Cooper Energy, Strike Energy, GLNG, Australia Pacific LNG, Origin Energy, Santos and Senex to bring on new supply in various parts of eastern Australia," Mr McConville said. "But significant gas resources in Victoria and New South Wales are still unable to be developed."

"Restrictions on supply in southern states are starting to bite, but common sense tells us the only way to meet ongoing demand is more supply. Queensland is to be congratulated for continuing to develop its natural gas resources. We continue to encourage other east coast states to follow Queensland's lead."

The Senex announcement came as the Energy Users Association of Australia released a report highlighting manufacturers' concerns about long term gas supply.

Mr McConville said action to develop gas resources to ensure more gas supply is the only viable way to ensure demand is met.

"Making this happen should be the focus of government, industry and all Australian homes and businesses that rely on sustainable gas supply," Mr McConville said.

Media contact: Matthew Doman – 0421 888 858 – mdoman@appea.com.au