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Further supply supports domestic gas market

Australia's oil and gas industry has welcomed a new three-year gas supply agreement which helps to support industrial manufacturing in Brisbane, APPEA said today.

The announcement that Australia Pacific LNG and Armour Energy will provide gas to the Incitec Pivot plant in Brisbane adds to the significant number of new gas supply agreements announced in 2017, 2018 and so far in 2019 to provide natural gas to domestic customers.

APPEA Chief Executive Andrew McConville said the gas supply agreement will provide certainty for the manufacturer and is further evidence of the large investment industry has made to increase substantially the flow of gas to the east coast domestic market.

"The oil and gas industry has announced billions of dollars in new investment since 2017 to bring more gas into the market, supporting both domestic gas consumption and gas export projects that are underpinning much of Australia's economic growth," Mr McConville said.

In the past two and a half years alone, there have been announcements from Arrow Energy, Shell Australia, Senex, Cooper Energy, Strike Energy, GLNG, Australia Pacific LNG, Origin Energy and Santos to provide new supply in various parts of eastern Australia.

"Today's announcement adds to this growing list," Mr McConville said.

"More gas supply into the Australian domestic market helps make a significant difference to the millions of homes and thousands of businesses that use gas – underpinning hundreds of thousands of jobs in Australian manufacturing, producing fertilisers, metals, glass, cement, bricks, plastics and other basic goods.

"Increasing supply should be the focus of government, industry and all Australian businesses that rely on sustainable gas supply."

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