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Continued gas development key to WA supply

The 2019 *Western Australia Gas Statement of Opportunities* released today highlights the continued development of the state's natural gas resources is ensuring increased supply and competitive prices to WA's gas users.

The report presents the Australian Energy Market Operator's assessment of WA's domestic gas market for the 10-year outlook period 2020 to 2029. It finds, that in its "base scenario," potential gas supply exceeds forecast domestic gas demand over throughout outlook period (2020-2029) – but continued development of prospective sources is required to maintain supply adequacy.

Australian Petroleum Production & Exploration Association WA Director Claire Wilkinson said the report highlighted the development of prospective gas supply sources will maintain supply adequacy over the outlook period.

"Western Australia continues to benefit from bipartisan political support for resource development and an active industry committed to meeting the needs of its domestic and export customers," Ms Wilkinson said.

The report finds prospective supply sources are expected to be available and economically viable to enter the market in 2022, 2024, and 2026, partly offsetting the decline in potential gas supply from existing production facilities due to reserve depletion.

WA domestic gas supply is expected to be underpinned by projects currently under development, including Browse, Scarborough, and West Erregulla.

The report forecasts gas demand is forecast to grow at an average annual rate of 1.2% in the base scenario, largely due to growth in the mining and minerals processing sectors.

Ms Wilkinson said WA's resources of unconventional gas (shale and tight gas), mostly located in the Canning and Perth basins, are estimated to be substantial.

"While WA benefits from substantial remaining conventional gas resource, over the next decade development of additional onshore unconventional resources will be needed to ensure the state continues to benefit from sustained adequate and affordable gas supply," Ms Wilkinson said.

See www.aemo.com.au/Gas/National-planning-and-forecasting/WA-Gas-Statement-of-Opportunities for more information.

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