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Media Release – Another Gas Sales Agreement with an Australian manufacturer

The voice of Australia's oil and gas industry today said the Gas Sales Agreement (GSA) struck between Senex Energy and Australian packaging and paper manufacturer Opal is further proof the market is working.

Opal is one of Australasia's leading packaging and paper companies, directly employing more than 4,000 workers across its operations, with more than 80 sites in Australia and New Zealand.

APPEA Chief Executive Andrew McConville said the fixed price, up to six years, agreement would see Senex deliver up to 12 petajoules (PJ) of natural gas to support the Opal Paper & Recycling division's manufacturing operations at Botany, New South Wales.

"Gas means jobs. Natural gas helps to make so many of the things we use in our everyday lives. This signifies the 107th deal since December 2012 to supply gas to domestic customers – from building supplies to fertilizer to the packaging and paper produced at Opal," Mr McConville said.

"The market is clearly working with competitively priced gas continuing to deliver for Australian manufacturers. Domestic users are paying less for Australian gas over the long term than overseas markets and have been doing so for some time.

"However, everyone knows the cheapest gas is the gas closest to markets and if some states opened the door to gas, prices could be even lower over the long term.

"This is the first time Senex's Surat Basin gas will be transported to support industry in New South Wales.

"Gas has showed how reliable it is throughout the pandemic and with the breakdown of other energy sources, the industry has continued to do the heavy lifting to ensure the lights are kept on, factories kept running and that there is no gas shortfall in the domestic market.

"The oil and gas industry underpins around 80,000 direct and indirect jobs – and hundreds of thousands of Australian jobs rely on the reliable, affordable and sustainable supply of oil and gas.

"A recent EY report found that there is a national economic boost of over \$350 billion and a boost to employment of around 220,000 jobs over the next 20 years if we can get the investment settings right."

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