



1 December 2021

CODE OF CONDUCT FINALISED

The Australian Petroleum Production & Exploration Association (APPEA) has finalised a Code of Conduct to support ongoing transparent and effective negotiations with customers.

APPEA Chief Executive Andrew McConville said the voluntary, industry-led Code, which has been received by the Australian Government, would increase transparency in negotiations, provide for additional dispute resolution processes and reaffirm good faith between the parties.

“Australian gas continues to flow to domestic customers, with a new Gas Supply Agreement with a domestic customer effectively announced every three weeks this year. Since late 2012, more than 114 gas supply agreements have been signed and agreed with gas customers,” Mr McConville said.

“The Code will provide an additional framework for negotiations for future supply.”

The Code has been developed through extensive collaboration and consultation over the past 12 months with representatives of commercial and industrial customers operating in Australia and with regular updates on progress to the government and the ACCC.

“We were able to accommodate vast majority of requests from customers while working within the Australian Government’s parameters for the Code which included that the Code should not regulate prices or contain anti-competitive provisions. We have also maintained a consistent approach with other voluntary Codes and – critically – ensuring the efficient operation of markets that will allow more gas to be development for the very supply customers are seeking,” he said.

Mr McConville said the Code would operate on top of the Heads of Agreement signed late last year, the ADGSM which is in place until 2023, the ACCC review of gas market supply which runs until 2025 and alongside the recent review of netback pricing and new transparency measures through the Energy National Cabinet Reform Committee.

In addition, members will continue to report on a range of supply factors to the ACCC and to inform AEMO’s daily spot markets, the Gas Bulletin Board and the *Gas Statement of Opportunities*.

Mr. McConville said the industry also looked forward to working with the government on the further development of the Australian gas supply hub at Wallumbilla, as well as increasing supply and delivering more jobs through further investment.

“Our members have announced investments totaling more than \$27 billion this year alone, across WA, NT, Queensland, Victoria and South Australia,” he said.



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Media Release

“More investment means that we can deliver more gas, generate more jobs and continue to underpin Australian industry.”

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