

11 September 2025

The Hon. Lily D'Ambrosio MP
Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission

Dear Minister,

RE: Submission on the Upcoming Tender for Petroleum Exploration Permits in the Otway and Gippsland basins

Australian Energy Producers welcomes the opportunity to provide input on the Victorian Government's upcoming tender for petroleum exploration permits in the Otway and Gippsland basins.

We commend the Government for commencing the process of releasing new acreage, which is an essential first step in unlocking abundant domestic natural gas resources. As the peak national body representing Australia's oil, gas, and lower-emissions fuel producers, we highlight the vital role of natural gas in Victoria's economy and energy system. More than 2.2 million households – three-quarters of Victorian homes – rely on gas daily¹. Natural gas is also indispensable for manufacturing, industry feedstock, and electricity generation, particularly as Victoria transitions away from coal, which still accounts for 57 per cent of electricity generation.

However, Bass Strait gas fields, which have supplied Victorians since the 1960s, are now in decline and discoveries are needed to replace this supply. In this context, we welcome the Victorian Government's decision to release acreage for tender in the Gippsland and Otway geological basins. This process is essential to developing Victoria's energy resources, strengthening investor confidence and generating exploration momentum. It also sends a clear signal that Victoria is taking proactive steps to address future energy challenges.

Accordingly, Australian Energy Producers supports this process and further recommends that the Victorian Government:

1. Invite applications for exploration permits in the Otway and Gippsland basins without delay;
2. Commit to regular, preferably annual, acreage releases to secure ongoing supply; and
3. Support seismic surveys, which are critical to assessing resource potential and ensuring safe, efficient project development.

Australian Energy Producers stands ready to work with the Government to bring new supply online and deliver affordable, reliable, and cleaner energy for Victorians. If you have any questions about any matters raised in this submission, please contact me on 0407 000 926 or pkos@energyproducers.au

Yours sincerely,



Peter Kos
Director Victoria
Australian Energy Producers

¹ Australian Energy Regulator, Gas Disconnections Report, Q1 2024