

Reservation legislation brings stability, but gas still has to reach the people who need it

The Australian Pipelines and Gas Association (APGA) welcomes the introduction of Domestic Gas Reservation legislation into Federal Parliament today.

The legislation replaces multiple interventions with an integrated, rules-based framework, giving upstream and downstream gas industries the long-term stability they need to plan, invest and work in tandem.

"The Government has produced a framework that gives producers and gas users a clearer picture of the market for years to come. That deserves recognition," APGA chief executive Steve Davies said.

"When the people who produce gas and the people who use it contract with confidence, they can work together to help build the industries that Australia's future depends on."

But Mr Davies said reserving gas would not, on its own, get it to where the demand is.

"You can have all the gas in the world, but if you can't move it to where it's needed, when it's needed, the challenges remain," Mr Davies said.

Victoria has long supplied most of the gas used in southern markets. Increasingly, that supply is being complemented by gas moving south from northern basins. Whether gas reaches a manufacturer in Melbourne or a household in Adelaide depends on the pipeline and storage capacity available to carry it.

"Supply and delivery have to be solved together. The right regulatory settings for gas infrastructure investment, including modest reform of the Form of Regulation Review process, will determine whether the benefits of reservation reach every gas user on the east coast," Mr Davies said.

APGA will continue to review the detail of the legislation and looks forward to continuing to work constructively with Federal and state governments on the Domestic Gas Reservation's implementation.

About

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors, and service providers of Australia's pipeline infrastructure, connecting natural and renewable gas production to demand centres in cities and other locations across Australia.

Contact

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