

Midstream industry investment buying time, but Gas Market Review must deliver

The Australian Pipelines and Gas Association (APGA) welcomes AEMO's 2026 Gas Statement of Opportunities (GSOO) as confirmation the midstream industry's commitment to infrastructure investment is delivering real results but warned there cannot be complacency as southern gas fields continue their structural decline.

The 2026 GSOO is clear that new infrastructure commitments have improved gas adequacy, with shortfall risks in southern Australia now forecast one year later than the previous year's assessment.

New commitments to expand north-to-south transportation capacity will improve the ability of the pipeline network to move gas where it is needed. Completion of pipeline, storage, and production projects across Queensland, the Northern Territory, and southern states, are all contributing to a better near-term outlook.

The market has responded. Industry is investing.

But the 2026 GSOO is unambiguous that this investment is not yet sufficient. Southern production continues to fall sharply, and from 2030, supply gaps emerge under most weather and demand scenarios. Without additional supply, storage, and pipeline investment beyond what is currently committed, Australia faces a sustained structural gap between consumption and available gas in the medium term.

APGA chief executive Steve Davies says the design of a domestic gas reservation to improve the availability of gas for Australian households and businesses will only be as effective as the infrastructure underpinning it.

"Australia's gas market is not broken, but it is under pressure. The 2026 GSOO confirms that infrastructure investment is key. The Gas Market Review must now ensure the regulatory settings match the scale of the challenge, including by addressing the Form of Regulation Review process," Mr Davies said.

"Pipeline expansions, storage upgrades, and new production projects are making a real difference to Australia's gas outlook. But investment confidence is what parts of the regulatory framework is undermining."

The Gas Market Review, launched in December 2025, is the right vehicle to address these issues.

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. Our members offer a wide range of services to gas users, retailers and producers and ensure the safe and reliable delivery of 28 per cent of the end-use energy consumed in Australia.

Contact

For further information or the opportunity to engage with Mr Steve Davies please contact:

Paul Purcell

Mountain Ash Advisory

paul@mountainashadvisory.com.au

0422 247 750