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Minister for the Environment and Energy

**SENATOR THE HON ARTHUR SINODINOS AO**  
Minister for Industry, Innovation and Science

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Minister for Resources and Northern Australia

## **MEDIA RELEASE**

29 March 2017

### **GAS PIPELINE COMPANIES TO WORK WITH TURNBULL GOVERNMENT TO ENSURE GAS DELIVERY**

Ministers from the Turnbull government today met with pipeline industry representatives to seek their support in implementing measures agreed with the gas industry earlier this month.

The meeting chaired by Energy Minister Josh Frydenberg, supported by Ministers Sinodinos and Canavan, was attended by the Australian Pipelines and Gas Association (APGA), Energy Networks Australia, Jemena, EPIC Energy, APA Group, Tasmanian Gas Pipeline and SEAgas Pipeline.

Earlier this month the Prime Minister secured agreement from east coast gas suppliers to strengthen domestic gas supply, including making more gas available for domestic markets and a guarantee that gas will be available for power generation at times of peak demand (such as during heat waves).

The Government welcomes the commitment from the pipeline industry today to support the implementation of the peak electricity demand gas supply guarantee through a number of complementary measures that will ensure gas can be delivered to where it is needed, when it is needed.

The Government also acknowledges the pipeline industry's commitment to work to accelerate a range of gas market reforms that will improve transparency and liquidity in the market at a critical time.

#### **Peak Electricity Demand – Gas Supply Guaranteed**

The pipeline industry agreed to support the guarantee by committing to provide pipeline access to ensure the gas arrives at its destination on time and at a reasonable price. APGA will work with AEMO, AEMC, the Government's Gas Taskforce and industry to ensure that necessary arrangements are in place in time for next summer.

#### **Market transparency**

The pipeline industry committed to continue working with the ACCC and Dr Mike Vertigan (Chair of the COAG Gas Market Reform Group) to provide increased transparency through the entire gas supply chain, including in Australia's gas pipeline network.

## **Gas market reform**

The pipeline industry agreed to work with the Australian Government to speed up gas market reforms arising from the recent ACCC and AEMC gas market reports, and subsequently agreed by the COAG Energy Council. These reforms have become even more important following projected gas shortfalls from 2019. It is vital that these liquidity enhancing reforms proceed as quickly as possible.

## **State regulation**

While acknowledging the need for ongoing reform of gas markets, attendees stressed the fundamental need for state and territory governments to revisit restrictions on gas exploration and development if longer term shortfalls are to be averted.

## **Community support**

Industry acknowledged the need for all parties to better engage with the community to maintain support for gas exploration and development.

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