

Week commencing 13 June 2016

LPG Usage - Gas Energy Australia study

Total demand for LPG declined by 8.4 per cent between 2014 and 2015. Autogas sales declined by 15.9 per cent and the traditional market declined by 0.9 per cent over this period. This contraction highlights the need to increase awareness of the benefits of the fuel and make more LPG powered vehicles available to the Australian automotive market.

Coleman blasts 'complacent' gas industry – Gas Today article

Woodside CEO Peter Coleman has blasted the gas industry, saying it has failed to deliver on its promises.

Speaking at the Australian Petroleum Production and Exploration Association (APPEA) Conference in Brisbane this week, Mr Coleman said complacency in the gas industry has it lagging behind coal as a fuel source. "We've spent more than \$200 billion on Australian LNG, when it actually started at \$100 billion," Mr Coleman told delegates.

"We didn't deliver on our promises." Mr Coleman also slammed the length of time it has taken for projects to be built, including making them too complex. "We were taking years to build our projects and we have become too expensive, we allowed the opposition, the competition to come in and take our place," said Mr Coleman.

The fact that gas holds such a low percentage of fossil fuel usage today is our complacency – the fuel itself hasn't changed."

Woodside recently shelved its plans to develop a floating LNG (FLNG) facility for the Browse gas field off the north western coast of Australia, citing the economic environment as unfavorable for such a massive investment.

SA natural gas network charges reduce by 23 per cent

The Australian Energy Regulator (AER) has cut gas distribution charges by 23 per cent on Australian Gas Networks' (AGN) South Australian Access Arrangement for the five-year period commencing on 1 July 2016.

The AER estimates the average flow on effect to AGN's 425,000 residential and 10,000 small business customers will culminate in their gas bills dropping by about \$144 and \$750 per annum respectively from 1 July 2016, assuming other components of the bill do not change.

AGN Chief Operating Officer, Mr Andrew Staniford said "The reduction in the network charges will take the pressure off household and small business gas bills." "The price drop will significantly improve the affordability of natural gas and will be a boon for South Australia," he said.

Delayed Victorian decision one last chance to get it right Statement from APPEA Chief Executive Dr Malcolm Roberts

The Victorian Government's decision to delay its response to the parliamentary inquiry into unconventional gas is an opportunity for the government to make the right long-term decision for the families and businesses relying on natural gas.

Industry has long argued Victoria needs to lift its onshore gas exploration ban to secure future supply for households, businesses and manufacturing sector.

Victoria is the only mainland state in Australia with a ban on new investment to develop its onshore gas resources, which leaves more than 1.8 million customers exposed to unnecessarily higher gas prices.

We are disappointed the government has not already removed the uncertainty. With output from existing gas fields expected to decline from 2017, time is running out to bring new supply into the market.

... allowing new sources of gas supply to be developed is likely to put downward pressure on domestic gas prices.

We encourage the government and the community to make informed judgements based on facts, not misleading scare campaigns.