

Gas Appliance Manufacturers Association of Australia

Shell increases domestic supply Gas today 7 April 2017

Shell's QGC Joint Venture (JV) has signed two new gas sales agreements with large domestic customers as part of a push to ensure east coast gas supplies.

The deals will see the JV supply gas for power generation in South Australia and manufacturing in Queensland.

The first deal will see the supply of around 8 PJ of gas to Engie's Pelican Point power plant in South Australia for five months over the peak period, which will help secure electricity contracts for industrial users.

The second deal is an 18-month agreement that will supply gas from Queensland's Surat Basin to Orica's Yarwun facility near Gladstone, which provides explosives and cyanide for the mining industry.

"These new sales agreements come after significant contracts were signed with power generators and retailers," said Shell Australia Chairman Zoe Yujnovich.

"Together they bring QGC's total domestic sales to about 11 per cent of east coast demand for 2017."

In order to meet local supply demands, Shell has reduced export volumes and hold the view that community acceptance of an LNG export industry depended on a reliable supply of gas to Australian customers. Read full article here

More gas to reduce emissions: APPEA Gas today 27 April 2017

Predictable claims by the Climate Council that Australia and the region should reduce the use of natural gas are out of step, says the Australian Petroleum Production and Exploration Association (APPEA).

The vast body of authoritative, independent analysis that shows that gas is critical to reducing emissions over the next 20 years according to APPEA Chief Executive Dr Malcolm Roberts.

"The International Energy Agency, the Climate Change Authority and a host of independent experts all agree that the world should be using more gas, not less, in the transition to a low-emissions economy," said Dr Roberts.

"Australians have seen how gas-fired generation underpins energy security. "The Australian Energy Market Operator has made this point absolutely clear. Its latest Gas Statement of Opportunities begins with the statement:

"Gas-powered generation is vital to continued security of electricity supply as the National Electricity Market transitions to lower emissions targets.

"Until we have large-scale, affordable and accessible storage, intermittent renewable energy must be supported by fast-response, reliable gas-fired generation. Australia should seek to emulate the US in slashing emissions by increasing the use of natural gas for generating electricity.

"Report after report has shown that natural gas has a critical role to play in a low-emissions future as both a replacement for coal and a partner for renewables". <u>read full article here</u>

Time to focus on hard issues in gas supply: APGA Gas today 27 April 2017

The Australian Pipelines and Gas Association (APGA) has called for an end to the mud-slinging and myth-peddling that is distracting policy-makers from finding a resolution to the very real problem confronting the nation of a likely shortage of affordable gas in the future.

An article in the <u>Australian Financial Review</u> adds to the confusion surrounding this important debate by repeating discredited information about the cost of gas transmission, according to APGA National Policy Manager Steve Davies.

"The Australian Competition and Consumer Commission's East Coast Gas Inquiry shows the range of prices paid for transportation on major East Coast pipelines," said Mr Davies.

"The article gives yet another airing to complaints from Central Petroleum that the price of transporting gas from its Northern Territory lease to the East Coast is too high. <u>read full article here</u>

GAS Connections