

Firm resolve on gas security mechanism is welcome

Ai Group Media release 20 June 2017

"Ai Group welcomes the Federal Government's continued efforts to secure domestic energy supply and put downward pressure on prices," Australian Industry Group Chief Executive Innes Willox said today.

"The confirmation that the Australian Domestic Gas Security Mechanism will commence from 1 July is most welcome. It is badly needed as a safeguard if the gas export industry is unable to make the arrangements to redirect gas into the domestic market. We have not lightly called for this mechanism, and invoking it would be a serious step. However, if the situation shows no signs of improvement, we would expect Minister Canavan to invoke export controls later this year. The Prime Minister's announcement today signals the Government's will to act. "The additional announcements today will also contribute to energy affordability and security.

"Changes to the review process for network regulation and further funding to the Australian Energy Regulator should be positive, though we note that successive governments have been frustrated by the challenges of reforming network regulation. The role of energy users in the conversation is critical.

"The Australian Energy Market Operator's report on the prospects of baseload generation should be closely coordinated with the national response to the broader Finkel Review of energy security.

"Reliable, competitively priced electricity and gas are cornerstones of Australian industry ... Read full article here

Solid NSW Budget – More Support Needed for Energy Efficiency as Industry's Power Costs Surge

Ai Group Media release 20 June 2017

"The NSW Budget reaps the benefit of a diligent and transparent approach to managing the State's economic engine and public finances," Mark Goodsell, Head of Ai Group NSW said today.

"We commend the NSW Government's continued focus on driving investment in infrastructure and importantly the relative funding certainty that underpins it. This will continue to be critical in creating more local jobs and boosting productivity across NSW industry.

"Building infrastructure is not an economic end in itself. The focus needs to be on quality infrastructure spending initiatives that build NSW's capacity to support a broadly based, innovative, productive economy that is globally engaged and a great place to live. Other elements are also essential for achieving these outcomes, including on the fronts of business costs, skills, industry-university collaboration, and sensible regulation.

"We stress that in the roll-out of all infrastructure projects and the sourcing of the operational technology they use, it will be important that the Government's purchasing policy supports full and fair participation of Australian suppliers. This includes conformity with appropriate standards, where relevant, to ensure the safety of the built environment as well as making sure taxpayers get value for money throughout the life of infrastructure, and not from just from buying cheap up front. Read the full article here

Commonwealth announces offshore gas study

Gas Today Tue 20 June 2017

The Australian Government will complete a study into offshore gas basins in southern Australia, part of its \$90 million commitment in domestic gas.

Minister for Resources and Northern Australia Senator Matt Canavan said the study of the Gippsland, Otway, Bass and Sorell Basins would look into the prospects for future supplies of gas to supply the South-East Australia domestic gas market..."To ensure Australia continues to make the most of our vast gas resources, it's essential that we support ongoing exploration and development." The Offshore South East Australia Future Gas Supply Study is available here.