

Victorian Opposition gets behind gas Gas Today Tue 10 October 2017

A Victorian Liberal Nationals Government will legislate to allow onshore conventional gas exploration and production in Victoria on a case-by-case basis if it wins power next year.

The new policy will create a new royalty sharing scheme that will allow local landowners to benefit from gas produced from beneath their land.

Landowners will receive a 10 per cent share of the royalty paid to government of the net post-wellhead sales value of recovered gas.

The rights of landowners will be protected with a right of veto over conventional gas exploration and production on their land.

"This policy will help put the brakes on soaring gas prices that are currently hurting Victorian households and businesses," said Victorian Opposition Leader Matthew Guy.

"Our policy will provide cheaper gas and create more jobs while protecting our environment and farmland.

"Our policy keeps Victoria's fracking ban while securing the gas resources we need. The Liberal Nationals will continue to support the ban on fracking and CSG exploration and production in Victoria to protect farmland and water supplies.

The Liberal Nationals will also introduce a domestic gas policy that will ensure new gas discoveries benefit the state as a whole.

"The conventional gas industry has successfully existed in Victoria for decades and together with Victoria's world-class brown coal reserves, has previously been responsible for our state's position as Australia's low-cost energy power house," said Mr Guy.

"Allowing the private sector to locate new sources of gas will help to bring more supply into the Victorian energy market and reduce cost pressures".

"Victorians will have a clear choice on energy policy at the next election."

Victoria currently has a moratorium on onshore gas development until 2020, and permanently banned fracking earlier this year.

ACCC Report Highlights the Need for a National Energy Policy

Energy Users Association 16 October 2017

Today's interim ACCC report confirms what the EUAA have been saying for some time; we are in the middle of an energy crisis almost entirely of our own making. Without an urgent response by our political leaders to a bipartisan national energy policy, the situation is unlikely to change, said the Energy Users Association of Australia (EUAA) Chief Executive Officer, Mr Andrew Richards.

"After more than a decade of energy policy confusion and political posturing we are faced with a situation where we have reducing levels of competition, increasing consolidation of market power, higher risks for investors and higher prices for consumers," said Mr Richards.

"As the ACCC clearly points out, there is no single cause of this situation and no simple solution.

However, the first step must be for our political leaders to agree on long-term energy policies that significantly reduce the risks for investors and other market participants. If they do this we will see investment in the new power generation assets that we need; adding more capacity and increasing competition along the way."

While renewable energy schemes have added to consumer costs it is not the primary driver of the significant increases we are now seeing. The ACCC highlights numerous issues that are contributing including the market dominance of the so called "big three" gentailers, continued retirement of old generation assets leading to reducing levels of competition in wholesale markets and increases in network costs. Renewable energy costs are also contributing but could be lower if a single national scheme was in place allowing state based schemes to be wound back. Read the full article here