

# PRESS RELEASE

FOR IMMEDIATE RELEASE – Tuesday, August 30, 2016



## Gas Supply Options Running Out

The leading advocate for large energy users, the Energy Users Association of Australia (EUAA) has today called on governments to work with industry and communities to increase the supply of gas, both conventional and unconventional.

“Gaining sufficient supply of gas at fair and reasonable prices continues to be a key concern for major gas users,” said EUAA CEO Andrew Richards in response to today’s announcement by the Victorian government of a permanent ban on all onshore unconventional gas.

“Any additional pressure on supply will only make a difficult situation even worse,”

The supply of gas, especially in the southern states, is very tight. When combined with significant increases in the cost of gas since the commencement of LNG export from Gladstone, major users are under extreme pressure.

“While we understand the governments desire to protect farmers we are disappointed that a better solution could not have been developed.”

“We recognise there are varying opinions regarding unconventional gas and respect the concerns of communities. However, blanket bans are such a blunt instrument and may rule out opportunities to access gas in a way that protects the interests of farmers, communities and the environment.”

One of the key recommendations of the recent east coast gas review conducted by the ACCC was to lift the current moratoria on unconventional gas and move to case-by-case assessment.

“We are supportive of a case by case approach provided rigorous planning and assessment regimes are put in place so that all parties have confidence in the outcome.”

The recent COAG Energy Council meeting recognised that increasing gas supply is of critical importance to both gas and electricity users given the central role it plays not only as a key industrial input but also as a feedstock for gas-fired power stations.

“At the moment the options for increasing gas supply appear to be shrinking at a time energy users are desperate for expanding supply and greater price competition.” “

“If we are banning one source of gas we need to ensure others are brought forward without delay”

For media enquiries contact: **Andrew Richards 0409 364 484**