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APPEA welcomes NSW Chief Scientist final report

The report released by the New South Wales Chief Scientist last night should give the green light to the responsible development of the state's natural gas resources.

The report states that the technical challenges and risks posed by the industry can be safely managed and notes the high standards of engineering and professionalism in natural gas companies.

This is a far cry from the alarmist and misinformed claims that have too often characterised debate about natural gas projects in NSW.

APPEA welcomes the Chief Scientist's observations that the natural gas industry is mature and well equipped to manage extraction and related technologies through its high engineering standards and level of professionalism.

NSW consumes around a quarter of the gas used in the eastern Australia gas market, yet supplies only about one per cent of the gas production for that market.

The state's 1.3 million gas customers rely on interstate producers for 95 per cent of their supply, despite the state possessing very significant reserves and experienced gas companies being willing and able to produce local gas for local consumers.

New production depends upon successful exploration activity. And without new exploration and production in NSW, it will be very difficult to put downward pressure on NSW gas prices, which are increasing by more than 10 per cent this year.

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