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NSW takes positive step with support for conventional gas

The Australian Petroleum Production & Exploration Association (APPEA) welcomes the New South Wales government's announcement today that it may eventually release two remote areas for conventional gas exploration.

"The industry hopes that this signals, at last, recognition that developing local gas supply is essential for NSW industry and residential customers," said APPEA Chief Executive Dr Malcolm Roberts.

"For three years, gas development has been suspended in NSW. During that time, customers have faced rising gas prices and tightening supply. We now have the unsustainable situation where NSW produces just three percent of its gas needs, leaving local customers to pay a premium to obtain interstate gas.

"That situation puts at risk the jobs of the 300,000 people working in gas-dependent industries in NSW. Gas is not just energy for industry – it is also an indispensable part of many manufacturing processes, as a feedstock or fuel.

"If the government and the opposition in NSW wishes to protect these jobs and create jobs, they should support responsible development of NSW's gas resources.

"Scare campaigns by activists opposing the gas industry have undoubtedly created fear. And we can guarantee that we will hear more of the same. Their ultimate aim is to ban all natural gas development, not just hydraulic fracturing or coal seam gas.

"But it has been almost three years since the NSW Chief Scientist confirmed that NSW's gas resources can be safely developed. In the meantime, other states have continued to develop their gas resources safely, creating jobs, investment and infrastructure for regional communities.

"The industry congratulates the NSW government for taking this first step and urges it to do more. The promised advisory body to assess land for release must be established immediately. Regional assessments need to be started as soon as possible.

"If NSW wants to attract investment to develop gas resources, it must show that it has transparent processes in place. In particular, it should draw on the experiences of other jurisdictions in terms of acreage release and regulatory systems.

"NSW does not have another three years to waste if it wants secure, affordable gas supply for local industry and customers".

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