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ESSO and Oceania Glass deal shows market is working

The voice of Australia's oil and gas industry today said the decision to extend the gas sales agreement between Esso Australia and Oceania Glass is further proof that Australia's oil and gas industry continues to deliver for the Australian economy.

APPEA Chief Executive Andrew McConville said the agreement would see Gippsland Basin gas continue to be used in local glass production until at least the mid-2020s.

"Natural gas helps to make so many of the things we use in our everyday lives. This signifies more than 100 local deals since December 2012 to supply gas to Australian manufacturers – from building supplies to fertilizer to glass such as that produced at Oceania," Mr McConville said.

"It's a positive sign that local gas continues to deliver for local customers.

"It once again underscores the role of gas in our local economy – a role it has played through abundant and reliable supply for more than 60 years.

"If we continue to recognise the realities of the gas market on the east coast it will deliver competitive gas supply outcomes for customers and continue to encourage more investment in new supply by producers.

"The announcement is another indicator that manufacturers and the gas industry are working together and the market is working.

"The oil and gas industry underpins around 80,000 direct and indirect jobs – and hundreds of thousands of Australian jobs rely on the reliable, affordable and sustainable supply of oil and gas.

"Australia's oil and gas industry is helping ensure we keep the lights on at home, and our hospitals and other public facilities operating, by continuing to deliver energy to the domestic market.

"A recent EY report found that there is a national economic boost of over \$350 billion and a boost to employment of around 220,000 jobs over the next 20 years if we can get the investment settings right."

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