

**22 December 2022**

## **INVESTMENT RISK OF INTERVENTION SHOWN IN SENEX ENERGY PAUSE ON \$1B EXPANSION**

The risk to future investment from the Australian Government's radical intervention in the gas market has been demonstrated, with Senex Energy pausing a \$1 billion domestic gas supply expansion involving hundreds of new jobs and millions of dollars of investment in regional communities.

The Australian Petroleum Production & Exploration Association (APPEA) today said the government's heavy-handed reforms introduced without proper consultation had, in less than a week since passing Parliament, dealt a blow to new east coast domestic gas supply and future energy security.

Senex Energy's major expansion of its Atlas and Roma North natural gas developments is expected to create 70 new roles and more than 300 contractor jobs during construction as well as injecting more than \$200 million into local businesses in the Surat Basin.

It would increase its domestic gas production to 60PJ per year – more than 10% of annual east coast gas requirements.

APPEA Chief Executive Samantha McCulloch said: "No new gas supply means no downward pressure on prices and an increased risk of future gas shortages.

"This decision by Senex Energy is exactly what the industry warned of when the government decided to take unprecedented, permanent control of the gas market and regulate the rate of return for these investments.

"Without this kind of investment, Australia misses out on crucial new gas supply to ease east coast energy system pressures as well as substantial economic returns including hundreds of jobs and hundreds of millions of dollars of local investment in regional communities."

The Senex Energy announcement comes after a \$20.7 billion pipeline of future east coast oil and gas projects was revealed this week in the government's annual report outlining future investment.

Ms McCulloch said the *Resources and Energy Major Projects (REMP) 2022* report highlighted the extensive plans by the oil and gas industry to further invest in the national economy before this month's snap decision to intervene in the market without proper consultation.

"There is a massive investment pipeline that could deliver thousands of jobs and other substantial economic and energy security benefits," she said.

**Media Contact: 0435 113 224**