

# Industry priorities

Delivering the **natural gas** needed for energy security and emissions reductions

SAMANTHA MCCULLOCH | CHIEF EXECUTIVE



australian  
energy  
producers

# Natural gas is a key pillar of the Australian economy

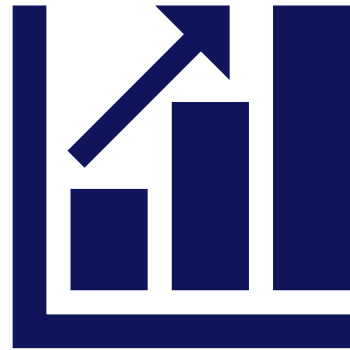
The Australian oil and gas sector continues to deliver for all Australians



**\$300+**

billion dollars

invested in Australian LNG projects since 2010



**\$17.1**

billion dollars

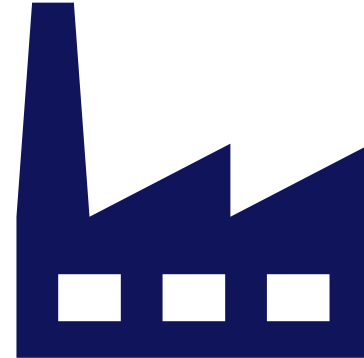
paid in taxes, royalties and charges in 2023/24



**80,000**

people

employed by the gas industry supply chain



**37%**

of energy

used by Australian manufacturing in 2023



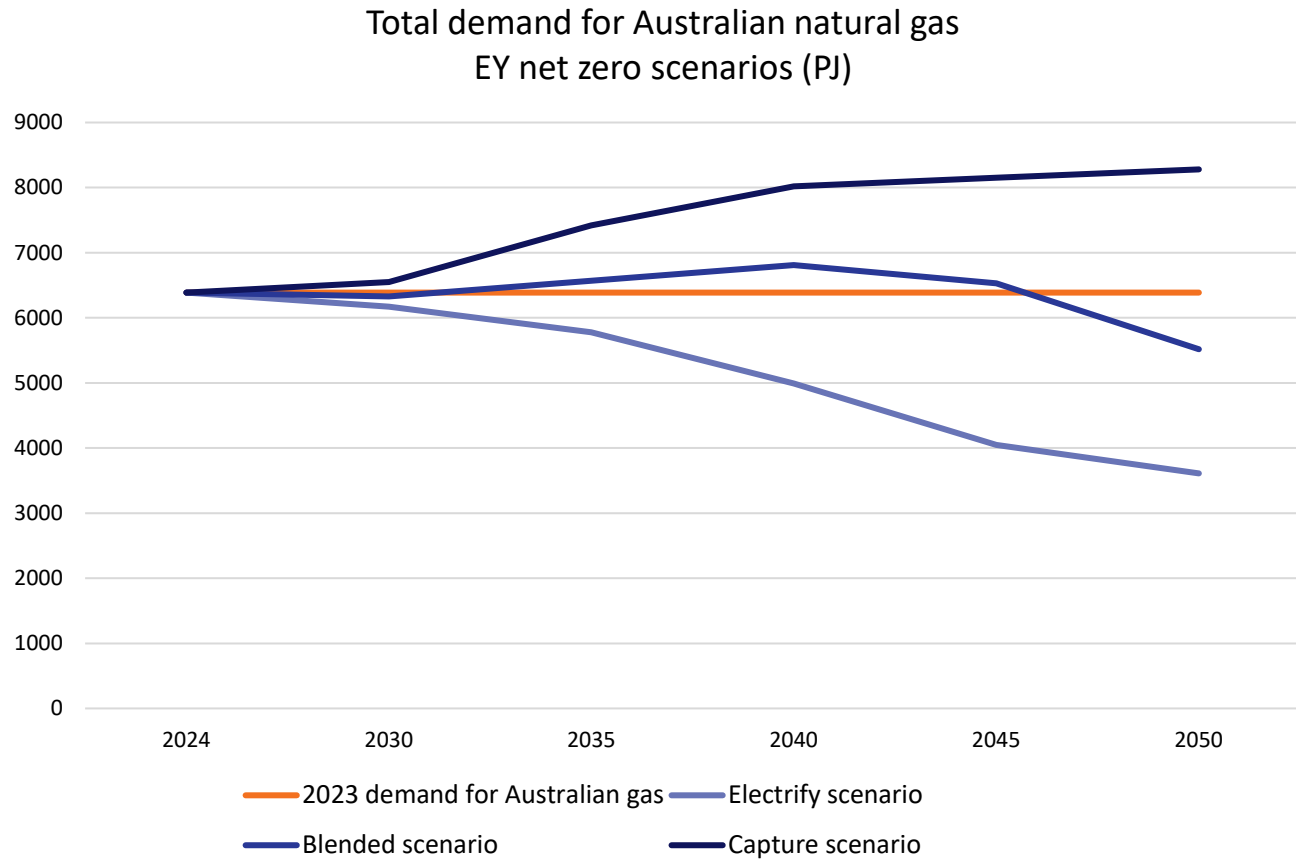
**5 million+**

homes

connected to the gas network

# The role of gas in Australia

## Independent analysis from EY



### Key determinants of demand for Australian natural gas

	Demand for Australian gas
Increased Australian <b>manufacturing and critical mineral</b> processing	↑
Rapid <b>phase-out of coal</b>	↑
Challenges with <b>renewable</b> roll-out	↑
Challenges with <b>hydrogen</b> roll-out	↑

# Policy uncertainty is hampering investment

## Significant regulatory changes and market interventions



“The government has the right to do what it wants to do but over the last couple of years there have been successive changes...when you have those things line up in a year or two-year time period, you have to take a pause”

**Clay Neff, Chevron President International Exploration and Production**

“As an LNG buyer, between Japan and Australia, this partnership we created is very stable. But if the Australian government does not support the LNG industry in Australia, and the LNG price is higher than expected, we need to change the energy source to other countries.”

**Gaku Takagi, JERA Australia Chief Executive**

“I really hope the government understands what we are saying...many foreign investors are thinking about the stability of policy settings by the Australian government”

**Takayuki Ueda, INPEX Chief Executive**



# The Future Gas Strategy

## Natural gas is essential to net zero, to 2050 and beyond

The Future Gas Strategy **recognises the critical role of gas** to “to 2050 and beyond”

- **New gas supply** is needed, with **continued investment** necessary to make it happen
- **Increases in domestic gas demand** in power and industry over medium-term
- Highlights **need for CCS**
- Recognises importance of **existing LNG trading relationships**

**Tangible actions are required** to avert shortfalls and meet ongoing natural gas demand

- Heavy reliance on **Mandatory Gas Market Code** to bring on new supply
- Overlooks **LNG demand growth** opportunity in our region
- **Further actions required** to realise the critical role of gas



# New natural gas supply is urgently needed

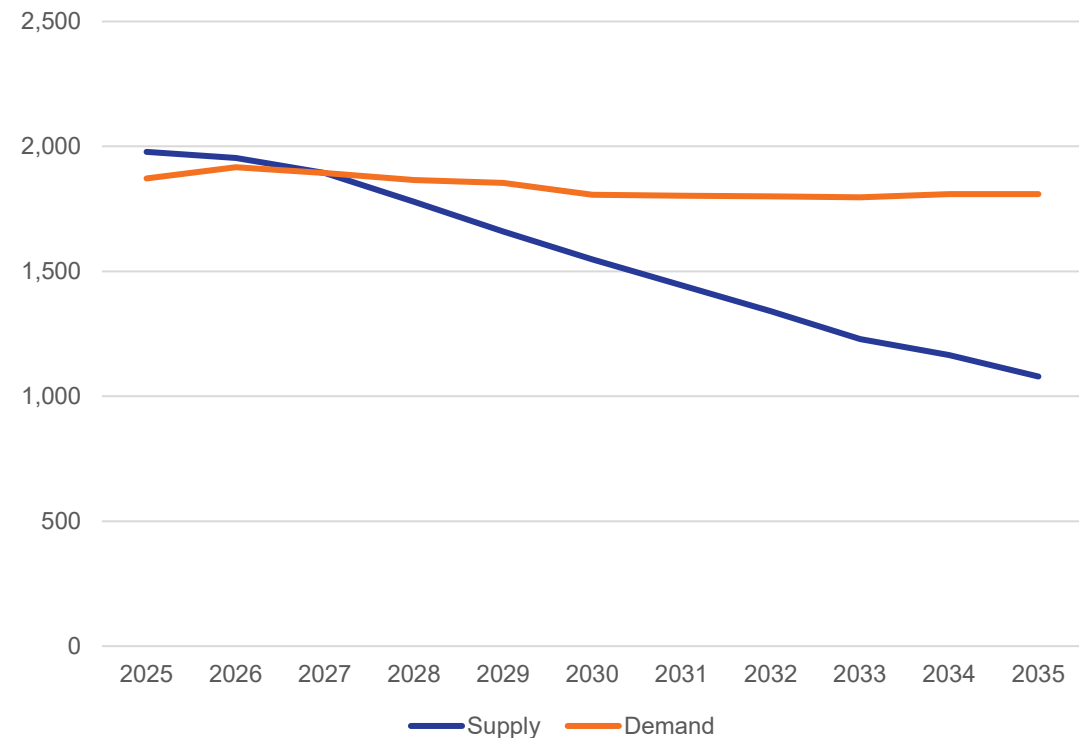
## To meet energy demand and reduce emissions in Australia and abroad

Gas shortfalls will severely impact energy security, cost-of-living and emissions reductions

**Urgent action is required** to bring on the new gas supply needed to address forecast shortfalls

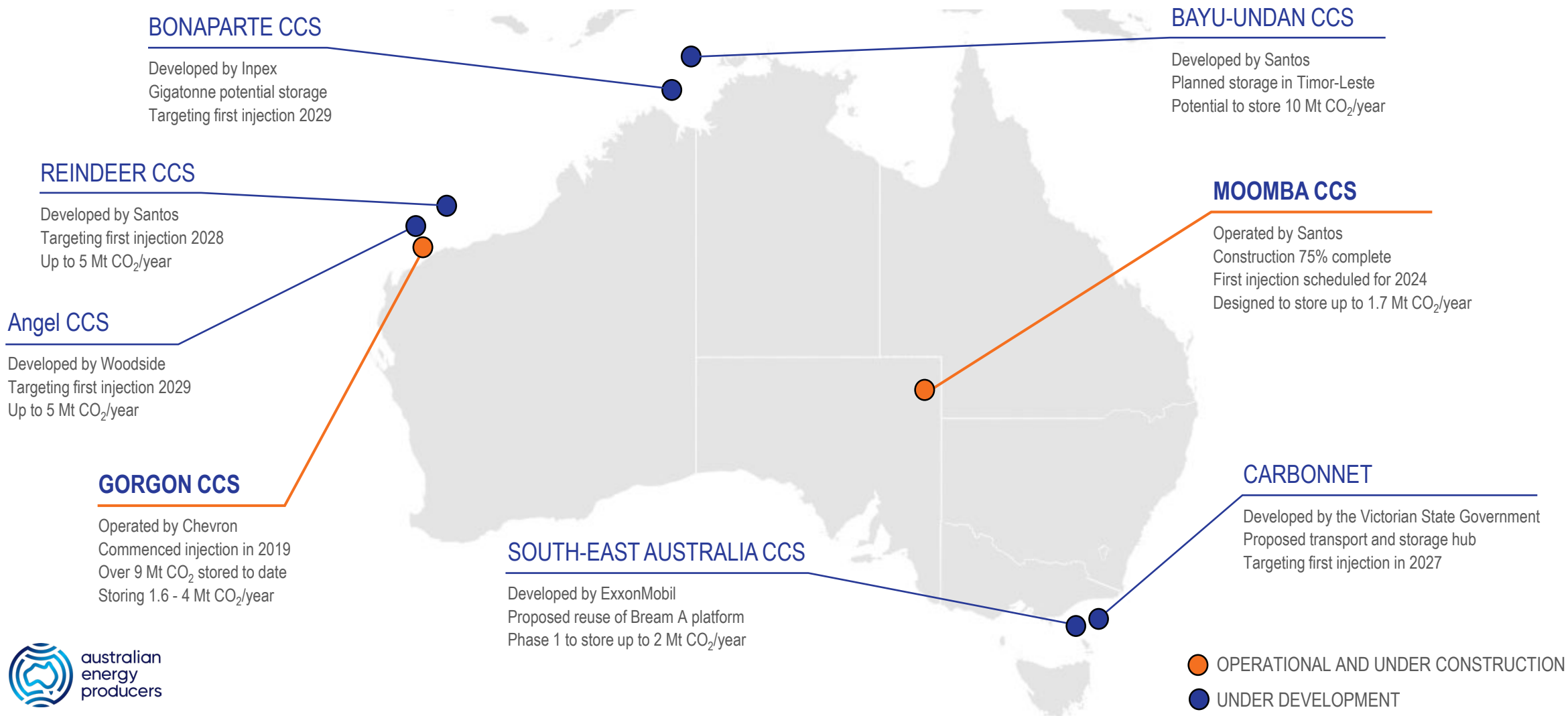
- Return to competitive gas market; **long-term price signal**
- **Fast-track project approvals**
- Rebuild **investor confidence**
- Unlock the **natural gas in states with highest demand**
- Investment in **gas infrastructure**
- **Re-establish Australia's natural gas project pipeline;** starting with exploration

East coast gas supply and demand outlook



# Carbon capture & storage

## A proven, global technology | An Australian opportunity



# Natural gas industry priorities

## Delivering the gas needed for energy security and emissions reductions

<p><b>ENSURING RELIABLE AND AFFORDABLE ENERGY FOR AUSTRALIA</b></p>	<ul style="list-style-type: none"> <li>• A national <b>plan to address shortfalls</b></li> <li>• <b>Streamline approvals</b> and fix regulatory uncertainty and delays</li> <li>• Return to <b>annual acreage releases</b>, allowing for seismic</li> </ul>
<p><b>RESTORING INVESTMENT CONFIDENCE</b></p>	<ul style="list-style-type: none"> <li>• Implement a <b>tax and fiscal regime that supports investment</b></li> <li>• <b>Remove price controls</b> and return to a competitive market</li> <li>• <b>Rule out adverse changes to PRRT</b></li> </ul>
<p><b>DELIVERING AUSTRALIA'S NET ZERO TRANSFORMATION</b></p>	<ul style="list-style-type: none"> <li>• Develop policies that <b>recognise the role of gas in reaching net zero</b></li> <li>• Develop a <b>national CCS roadmap</b></li> <li>• Support <b>Net Zero Zones</b></li> </ul>
<p><b>REMAINING A RELIABLE ENERGY PARTNER IN OUR REGION</b></p>	<ul style="list-style-type: none"> <li>• Commit to <b>long-term energy security</b> for our energy partners</li> <li>• Seize the <b>LNG demand growth opportunity</b></li> </ul>

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