

MEDIA RELEASE

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Energy users welcome WA Government's support for domestic gas

Western Australia's peak energy user group has welcomed the State Government's strong support for secure and affordable gas supply.

In a recent address to the Petroleum Club of Western Australia, Premier Colin Barnett reaffirmed the State's 15 per cent domestic gas reservation policy and underlined the importance of affordable gas prices for WA industry and households.

DomGas Alliance Chairman Tony Petersen said the domestic reservation policy was a key part of providing long term security to industry and households.

"Given the focus of major gas producers on LNG exports, it is vital that sufficient gas is made available to meet the State's energy needs," Mr Petersen said.

"I urge the Federal Government to support Western Australia's efforts by putting in place a national gas reservation policy."

Mr Petersen said a national reservation policy would ensure domestic supply obligations are met from resource developments in offshore Commonwealth waters as well as those developed in WA waters.

The Alliance supports ways to further strengthen the State's reservation policy, while at the same time giving producers greater flexibility in how they meet domestic supply obligations.

Mr Petersen commended the State Government for its initiatives to promote domestic gas supply, such as its decision to reduce royalty rates to encourage tight gas development.

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The DomGas Alliance

The DomGas Alliance is Western Australia's peak energy user group and represents natural gas users, infrastructure investors and prospective domestic gas producers. The Alliance aims to promote security and affordability of gas supply for industry, small business and households.

The Alliance was formed in 2006 in response to a serious shortage of gas supply for new developments in WA. Alliance members represent around 80 percent of Western Australia's domestic gas consumption and gas transmission capacity, including smaller industrial and household users of gas. The Alliance also includes companies working to develop domestic gas fields.

Members include: Alcoa of Australia, Alinta, Burrup Fertilisers, Dampier Bunbury Pipeline, ERM Power / NewGen Power, Fortescue Metals Group, Horizon Power, Newmont Australia, Synergy, Verve Energy and Murphy Oil.

