



# NEWS

## Taking stock of Australia's east coast gas market

### AEMC releases gas market scoping study report

#### **AEMC Chairman, John Pierce, today released a report into factors influencing the development of the east coast gas market.**

"The gas market scoping study complements other work being undertaken by jurisdictions on aspects of the gas sector as well as the joint Gas Market Study being carried out by the Department of Industry/Bureau of Resources and Energy Economics." Mr Pierce said.

The study examines the changes underway in the east coast gas market and identifies potential areas of improvement in both the market and regulatory frameworks.

The AEMC considers that the current gas market and regulatory arrangements have served us well, with substantial investment in production and pipeline capacity occurring over the last 10 years.

Nonetheless, changes are rapidly occurring due to the establishment of an east coast LNG export industry. This has resulted in a period of structural adjustment in the market and a renewed focus on the efficiency of the gas supply chain.

In this environment, the AEMC considers it important to review the adequacy of our gas market frameworks to ensure they continue to meet the needs of market participants and promote the efficient supply of gas for consumers.

"The Commission's view is that the structural change in the eastern gas market raises the need for a forward-looking strategic plan for gas market development focussed on the next 10-15 years.

The Commission will continue to work with governments, other energy market bodies, consumer groups and market participants on a pathway to support the development of Australia's gas markets."

The gas scoping study was prepared by K Lowe Consulting, with Farrier Swier Consulting.

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