



## **Offshore South East Australia Future Gas Supply Study**

### **Terms of reference**

The Offshore South East Australia Future Gas Supply Study (the study) will consider the future potential for gas production from the Gippsland, Otway, Bass and Sorell Basins (the offshore south east Australian basins) to supply the south east Australia domestic gas market.

The Department of Industry, Innovation and Science will oversee the Study, with much of the information and data being provided by the National Offshore Petroleum Titles Administrator (NOPTA), with assistance from Geoscience Australia. The Victorian and Tasmanian Governments will be key stakeholders and consulted throughout.

### **Background**

The eastern Australian gas market is undergoing significant structural change. Australia is on the cusp of becoming the world's largest liquefied natural gas (LNG) exporter, having seen investment of more than \$200 billion in the past decade.

The accessibility and price of gas have been identified as key risks for Australian business competitiveness and cost of living pressures. Predicted supply shortfalls by the end of the decade, combined with other factors including linking to international export markets, ageing infrastructure, state and territory bans, are resulting in a higher new 'normal' gas price and constrained availability.

### **Key issues**

- To provide an understanding of the volumes of gas available within the offshore south east Australian basins for potential future input into the east coast domestic gas market.
- To identify short and long term opportunities to maximise sustainable gas recovery from the offshore south east Australian basins.

### **Key activities**

NOPTA will consider a broad range of issues including the extent of discovered and undiscovered resources, opportunities for development of known resources and potential timing, and infrastructure opportunities or impediments.

The key activities to be undertaken as part of this review will be to:

- Produce an inventory of known gas resources.
- Produce an inventory of prospective resources.
- Develop an estimate of undiscovered resources.
- Review existing producing fields performance.
- Review existing onshore gas plant for current and future capacity.
- Identify timelines that additional gas could be delivered through existing infrastructure.
- Assess opportunities for additional gas supply and accelerated development of resources.

## **Timing**

The study will be delivered to the Australian Government Minister for Resources and Northern Australia by the end of August 2017.

## **Final report**

The study will draw upon all information currently available to NOPTA and Geoscience Australia. Some of this material will be commercial in confidence or subject to legislative restrictions which will limit the information that can be made publicly available.

Following consideration of the study the Australian Government Minister for Resources and Northern Australia may publish a high level report, exclusive of any such commercial or confidential information, and/or provide such a report to state governments.