



18 MAR, 2020

VIC'S COOKING ON GAS

Herald Sun, Melbourne



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ALEX WHITE

VICTORIA'S ban on conventional gas drilling will be lifted next year in a move expected to pave the way for cheaper power prices.

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scientific reports which confirmed Victoria had gas reserves and could extract without major environmental impacts.

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Cheap power, it's a gas

Surprise as Andrews lifts onshore drilling ban

ALEX WHITE AND TOM MINEAR

VICTORIA'S ban on conventional gas drilling will be lifted next year, paving the way for cheaper power prices and a deal with the federal government to bolster the state's energy system.

The moratorium on onshore gas exploration and development was due to expire on June 30, but the Andrews Government is extending it until July 1 next year to enable an orderly transition to restart

the Victorian gas industry. Landowners are expected to receive up to \$43 million in royalties every year once drilling is allowed, with the industry tipped to generate \$310 million a year.

Premier Daniel Andrews made the announcement yesterday after receiving scientific reports which confirmed Victoria had gas reserves and could extract without major environmental impacts.

He said enabling onshore drilling would likely reduce prices for consumers and create jobs in both the Otway Basin and East Gippsland, where gas reserves are believed to be located.

"We're backing the science to create jobs, boost energy supply and support regional communities across the state," Mr Andrews said.

Federal Energy Minister Angus Taylor welcomed the

move as an "important first step" to lower gas prices and increase supply after consistent warnings of shortages.

He said new gas entering the market would be "critical to any potential Victorian energy and emissions state deal", after the federal government locked in a \$2 billion package with New South Wales.

A Victorian deal could include federal support for new generation, transmission infra-

structure and emissions reduction solutions.

The state government also introduced legislation to enshrine the current ban on controversial unconventional gas extraction techniques — including fracking — in the Victorian Constitution.

Mr Andrews and Resources Minister Jaclyn Symes called on the federal government to enact a nationwide policy to ensure the country had access

to gas instead of it being sent offshore.

Ms Symes said the change would benefit Victoria and was "a commercially viable" move.

Victoria's lead scientist Amanda Caples said a long-term research program showed Victoria had prospective onshore gas reserves. Dr Caples reassured communities "water will not be an issue".

Research showed more



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than 80 per cent of the community were supportive of re-opening the industry.
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