



**“ Ending a decade long
gas crisis: Why
Australia needs to be
innovative when it
comes to our gas future**

Walter Schutte

Are we in a gas crisis?

Remember this?



Recognising Australia's east coast gas crisis

1

Date 14 March 2017

Topics [Regulated infrastructure](#) [Energy](#)

Keep up-to-date on the latest media releases from the ACCC via email updates.

[Subscribe to media releases](#)

ACCC Chairman Rod Sims said events following the ACCC's April 2016 Inquiry into the east coast gas market have confirmed the Commission's worst fears.

Speaking in Sydney today at the 5th Annual Australia Domestic Gas Outlook Conference 2017, Mr Sims said, "One year ago at this conference I warned of "...an urgent need for both new and importantly more diverse sources of gas supply into the domestic market."

"The outlook for gas supply is now even worse than it was a year ago; indeed, our worst fears are being realised," Mr Sims said.

[Companies](#) [Energy](#) [Gas](#)

Exploration drought stokes gas shortage fears

[Angela Macdonald-Smith](#)

Senior resources writer

Nov 27, 2016 - 11.00pm

Federal Government holds meetings with energy executives over looming gas shortage

2

By political reporter Henry Belot

Government and Politics

Mon 5 Dec 2016

The 'absurdity' of Australia facing a gas shortage

THERE are warnings our gas supply could fall short, forcing Aussies to melt through summer. An expert says it's "absurd".

[Charis Chang](#)

4 min read March 14, 2017 - 11:31AM news.com.au

3

0 Comments

Gas crisis fears drive reform on CSG projects

By KYLAR LOUSSIKIAN

Unfolding Victorian perspective

13 March 2026



THE AUSTRALIAN 

“ AEMO projects structural shortfalls in the east coast gas market by 2029. **The imminence of this risk means that action must be taken urgently**, by all market participants, to ensure that Victoria’s gas infrastructure does not inhibit the range of potential supply solutions that could ameliorate these risks to the east coast gas market at the lowest possible cost.

”

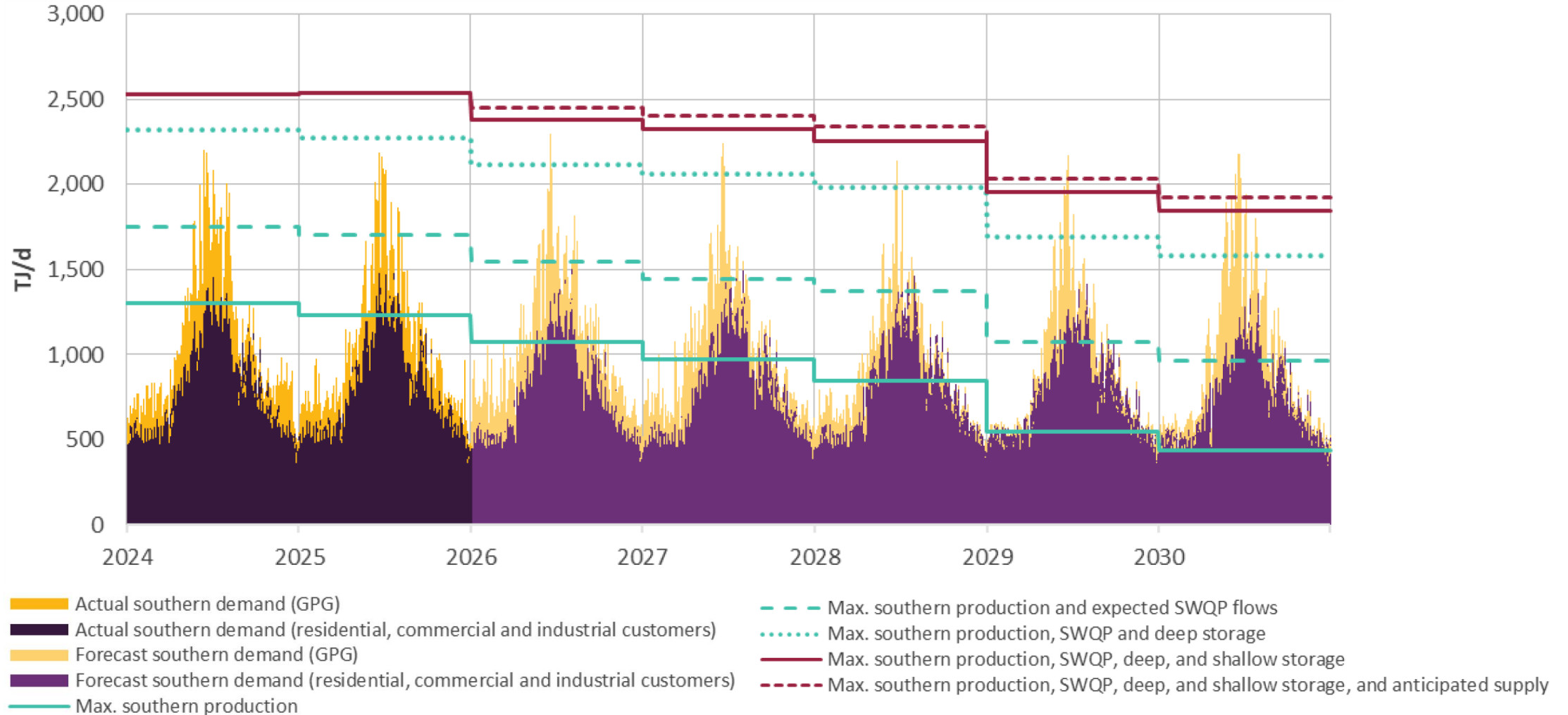
- Lily D'Ambrosio

Victoria’s gas supply at risk as minister threatens to end pipeline feud, *The Australian*, 13 March 2026

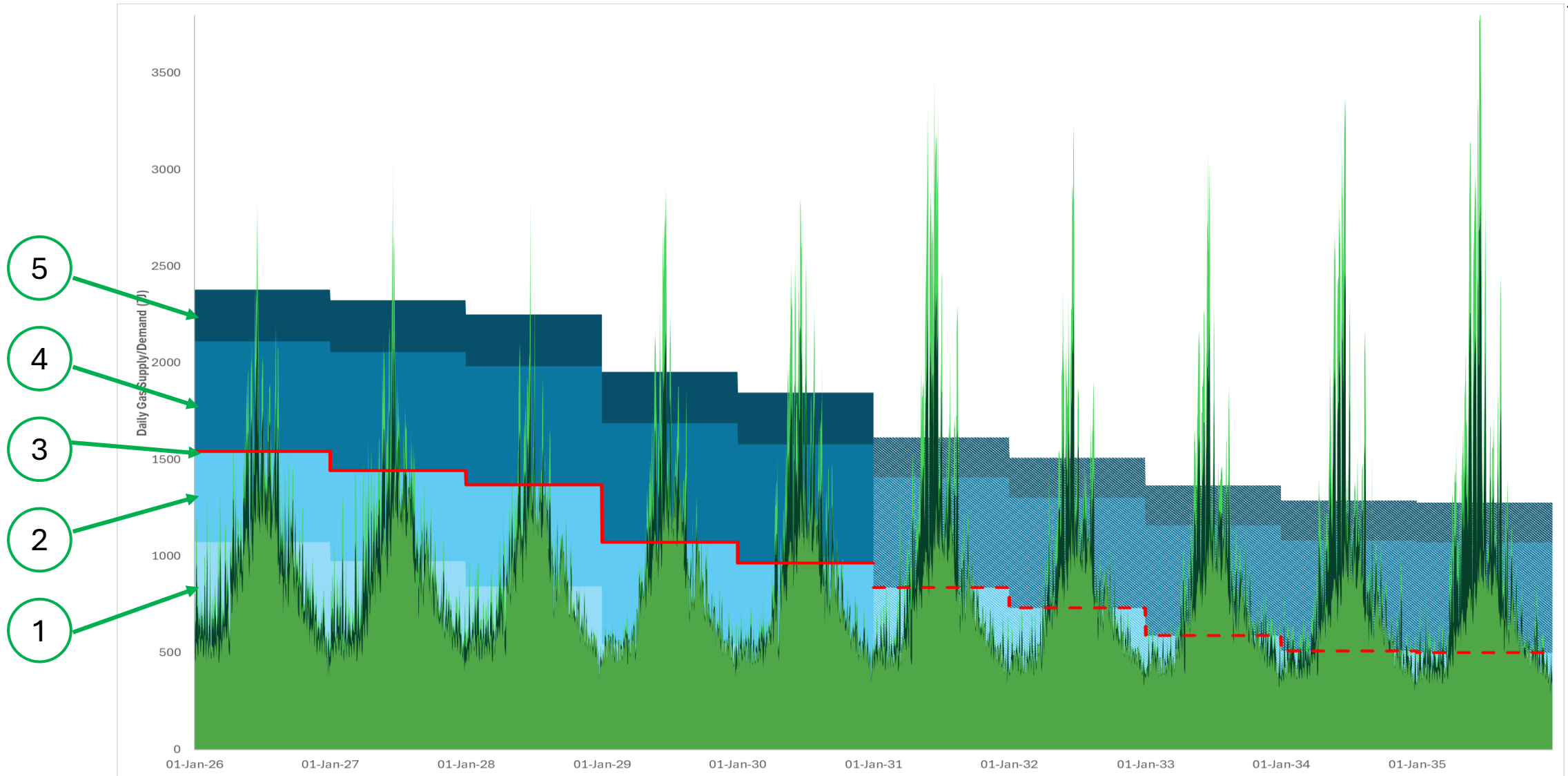
AEMO's view from GSOO 2026



Figure 4 Actual daily southern gas system adequacy since January 2024, and forecast to 2030 using existing, committed and anticipated projects, reference year 2024 (TJ/d)



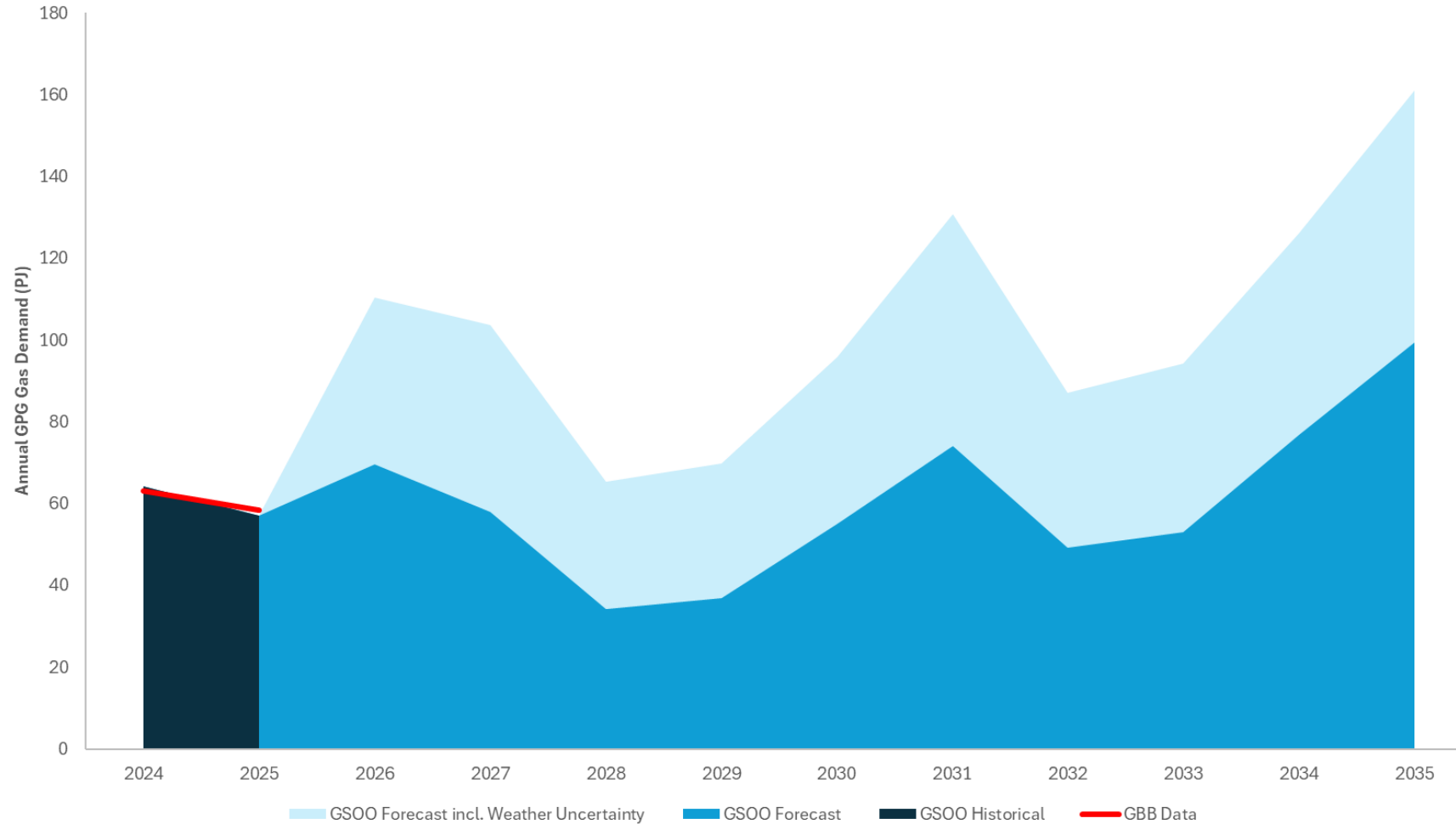
What's the current domestic gas outlook?



Australian Energy Market Operator. (2025 & 2026). 2025 & 2026 Gas Statement of Opportunities.

What's the current GPG outlook?

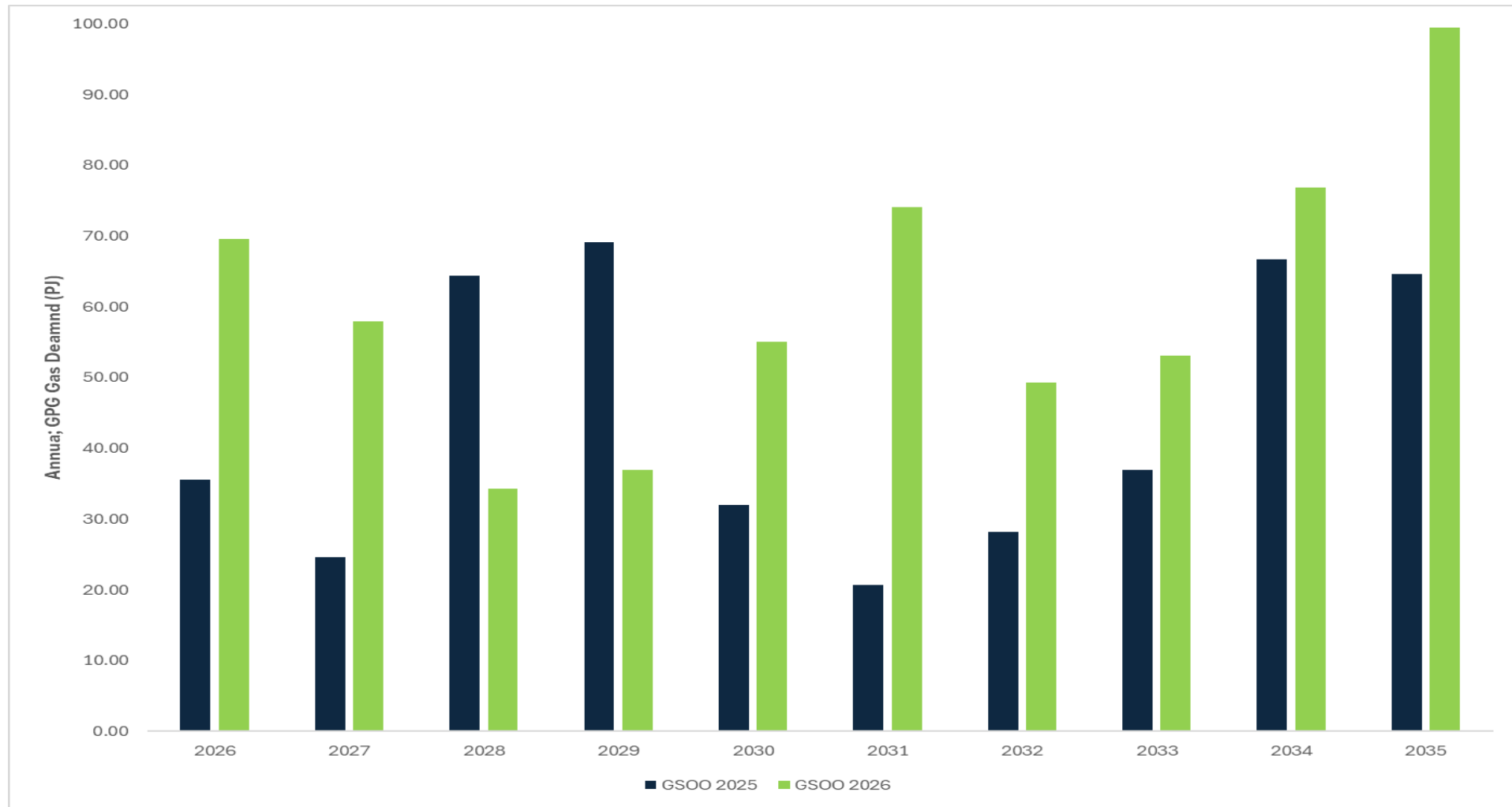
Forecast GPG variability can add additional ~40 PJ/a of demand



Australian Energy Market Operator. (2026). 2026 Gas Statement of Opportunities.

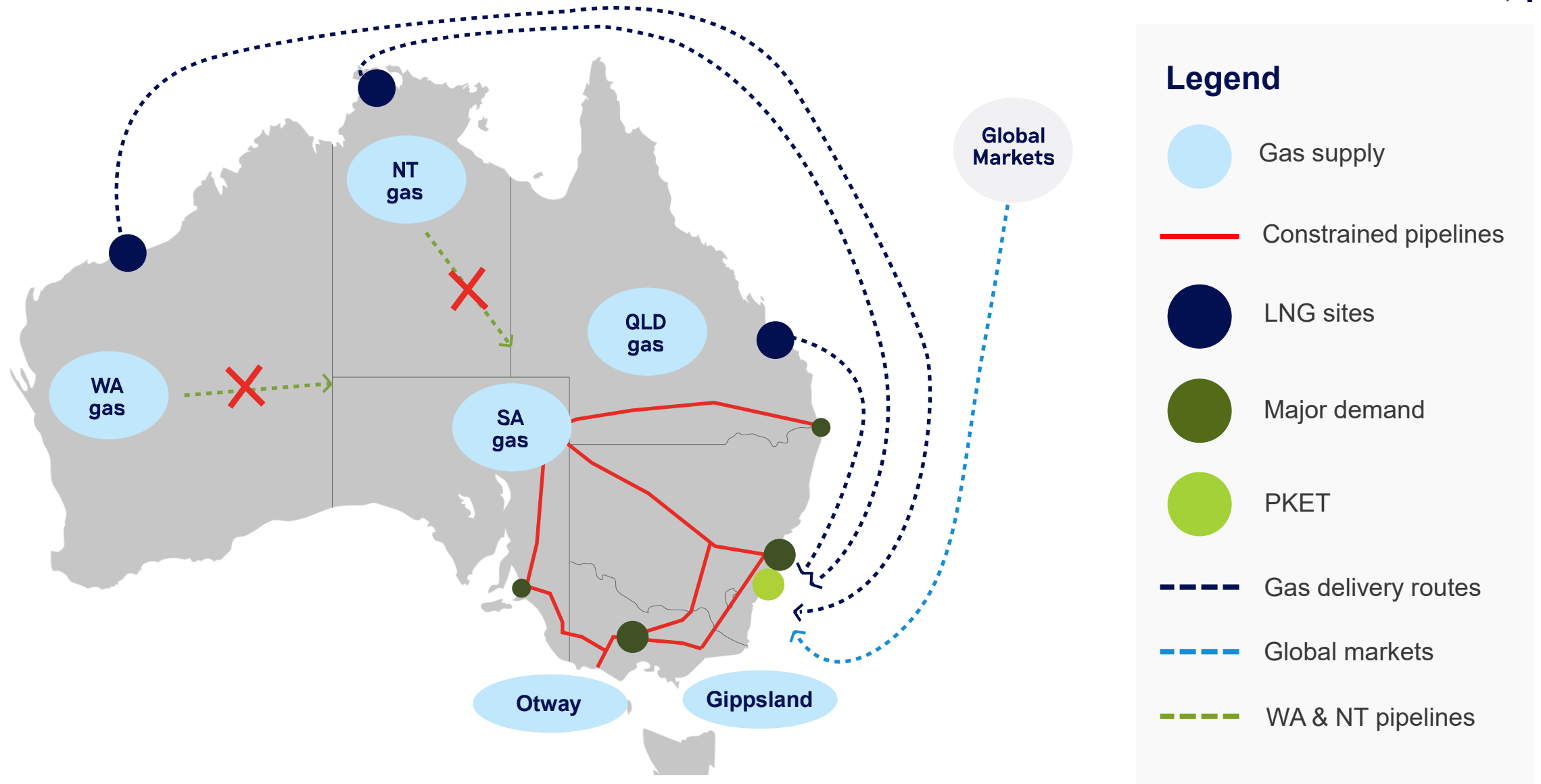
What's the current GPG outlook?

Forecasting GPG variability GSOO 25 vs GSOO 26



Australian Energy Market Operator. Gas Statement of Opportunities.

The gas production – demand disconnect



Port Kembla Energy Terminal

130PJ

Capacity
per annum

520TJ

Daily capacity



- Constructed, come and visit the site
- Connected to EGP
- FSRU secured
- In market winter 2028
- Onshore commissioning completed, Reganosa on site
- Finalising negotiations with customers

Unlocking Australia's energy future



How does a regassification terminal help?

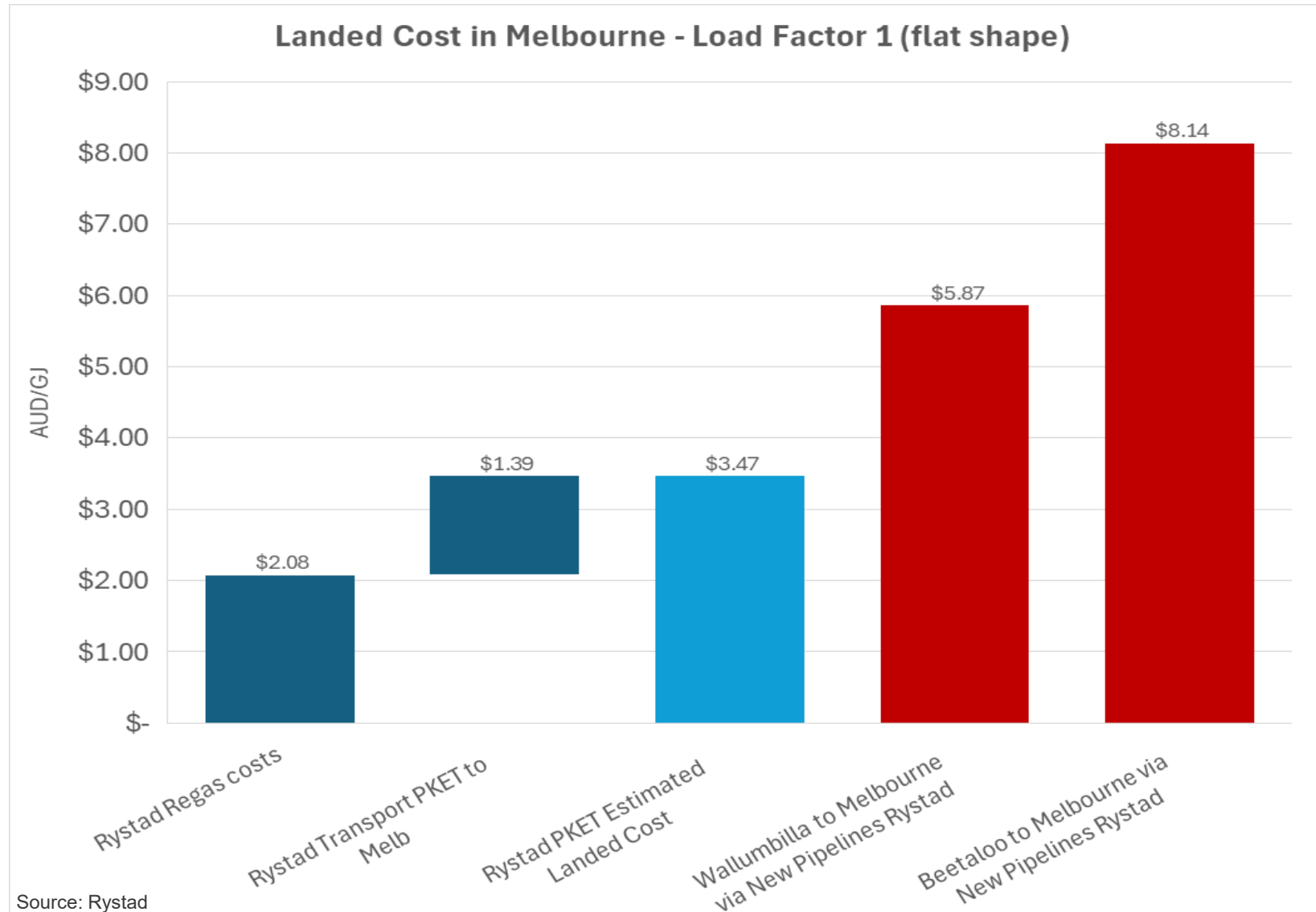
PKET and lateral constructed and ready to go



- Critical infrastructure providing energy security and shape
- Flexible contracting
- Can be a virtual pipeline or storage or both
- No project cost/completion risk
- Supports Domestic Gas Reservation obligations



Pricing - how PKET stacks up against a pipeline?



- PKET enables access to the lowest-cost gas available
- Buyers gain genuine choice
- Global gas prices fluctuate over time
- Squadron supports a diversified supply mix
- Analysis does not capture PKET's shaping

Gas driving decarbonisation



Energy sector playing a key role in Australia's decarbonisation



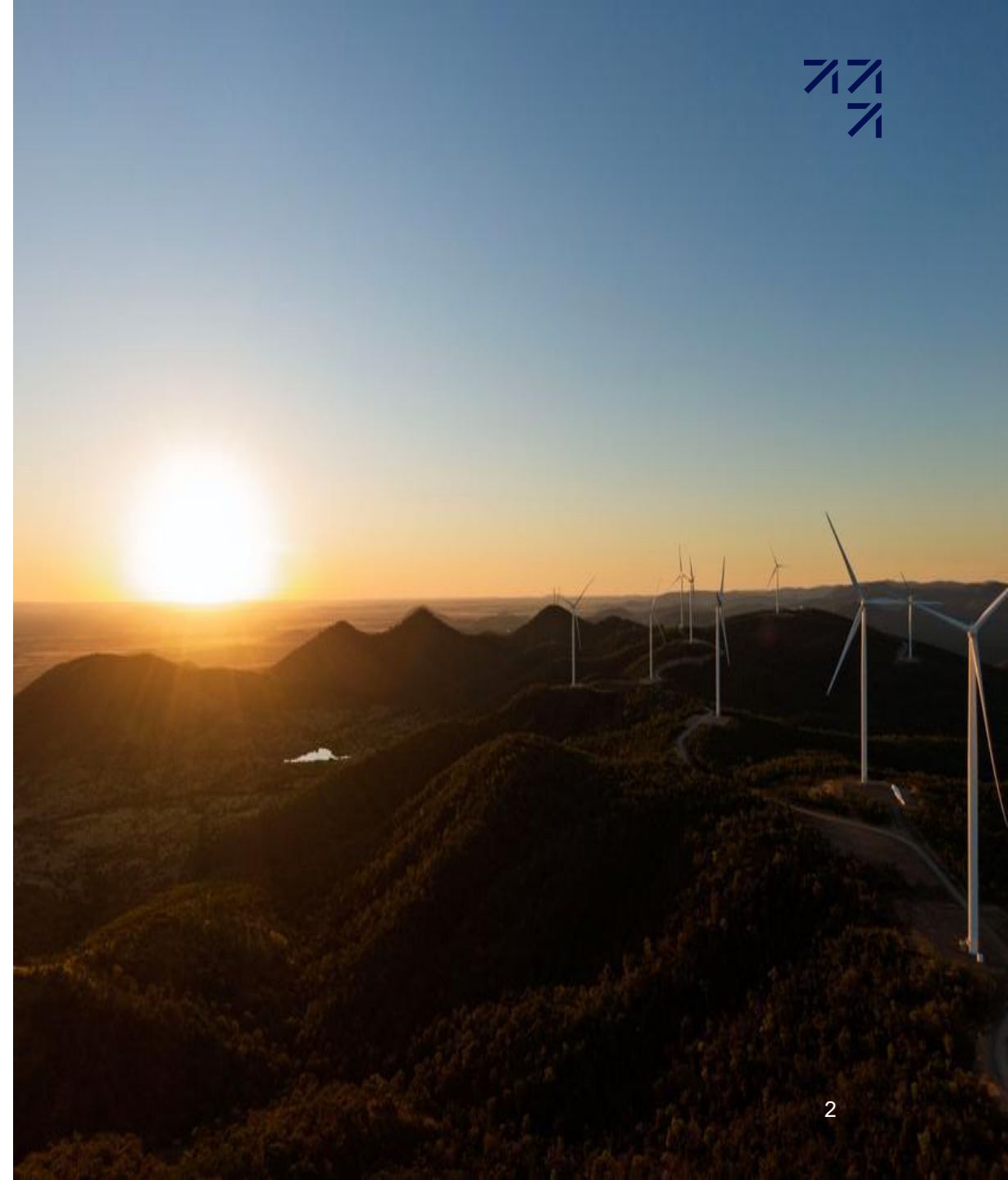
Variable renewable energy buildout underway as coal retires



Battery is critical for firming, but we need back up for longer durations and seasonality



Gas key to coal exit and supporting NEM reliability



PKET's role in decarbonisation



- GPG to drive out coal by providing long duration dispatchable capacity
- PKET most flexible gas injection infrastructure on east coast (shape)
- Can inject 0 to 520 TJ/d
- Well-matched for GPG unpredictable and seasonal requirements
- Electrification likely to speed up impacting bulk gas requirements
- Addresses demand domestic gas needs summer vs winter differential



Recap - Why do we need innovation over tradition?

Necessity is the mother of innovation



Historic demands not a good reflection of future needs



Intermittency and changing pace of renewables transition requires agility



Solutions of the past likely not to meet the challenge



Innovation required to adjust to rapidly changing conditions

Thank you

WWW.SQUADRONENERGY.COM