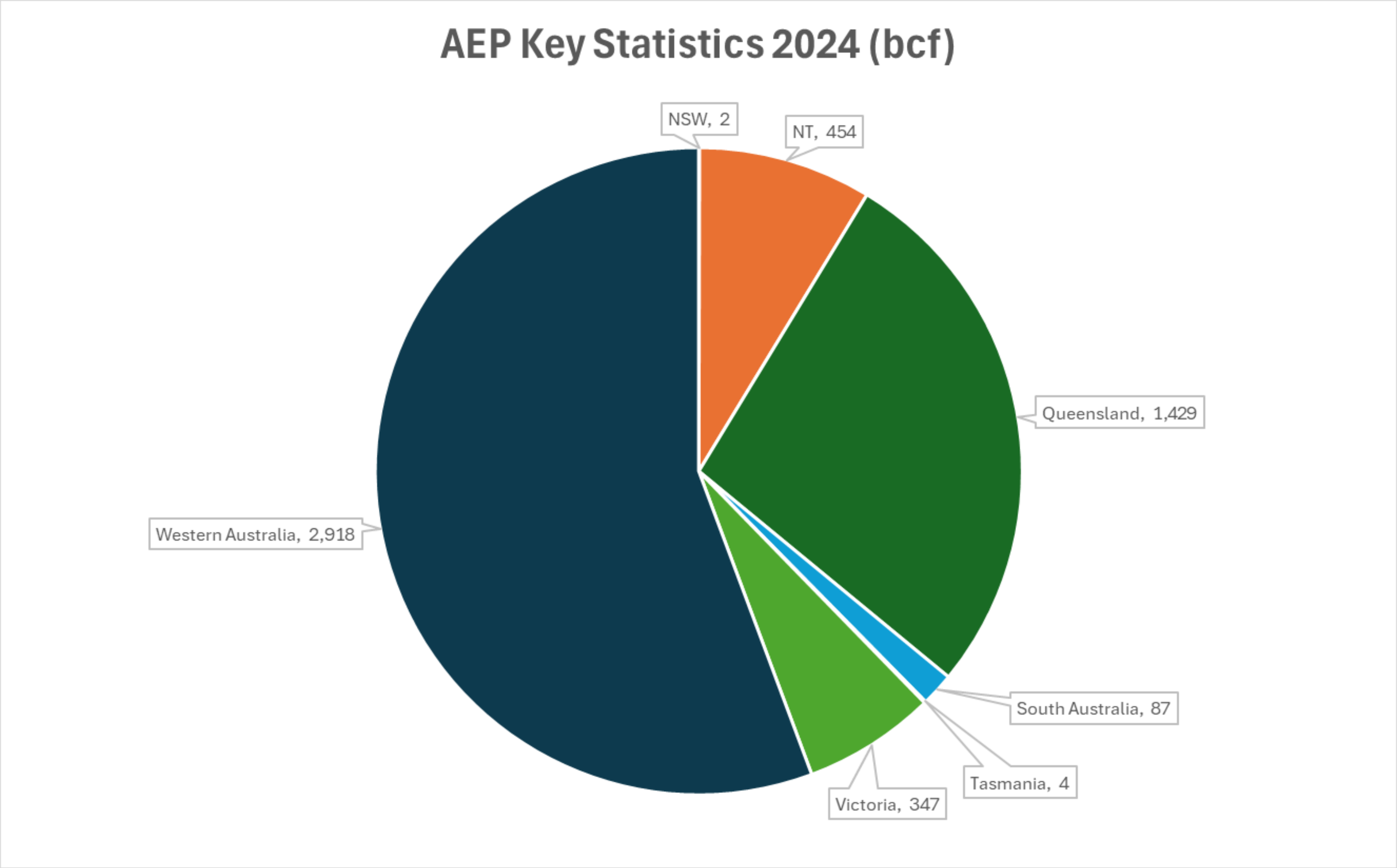
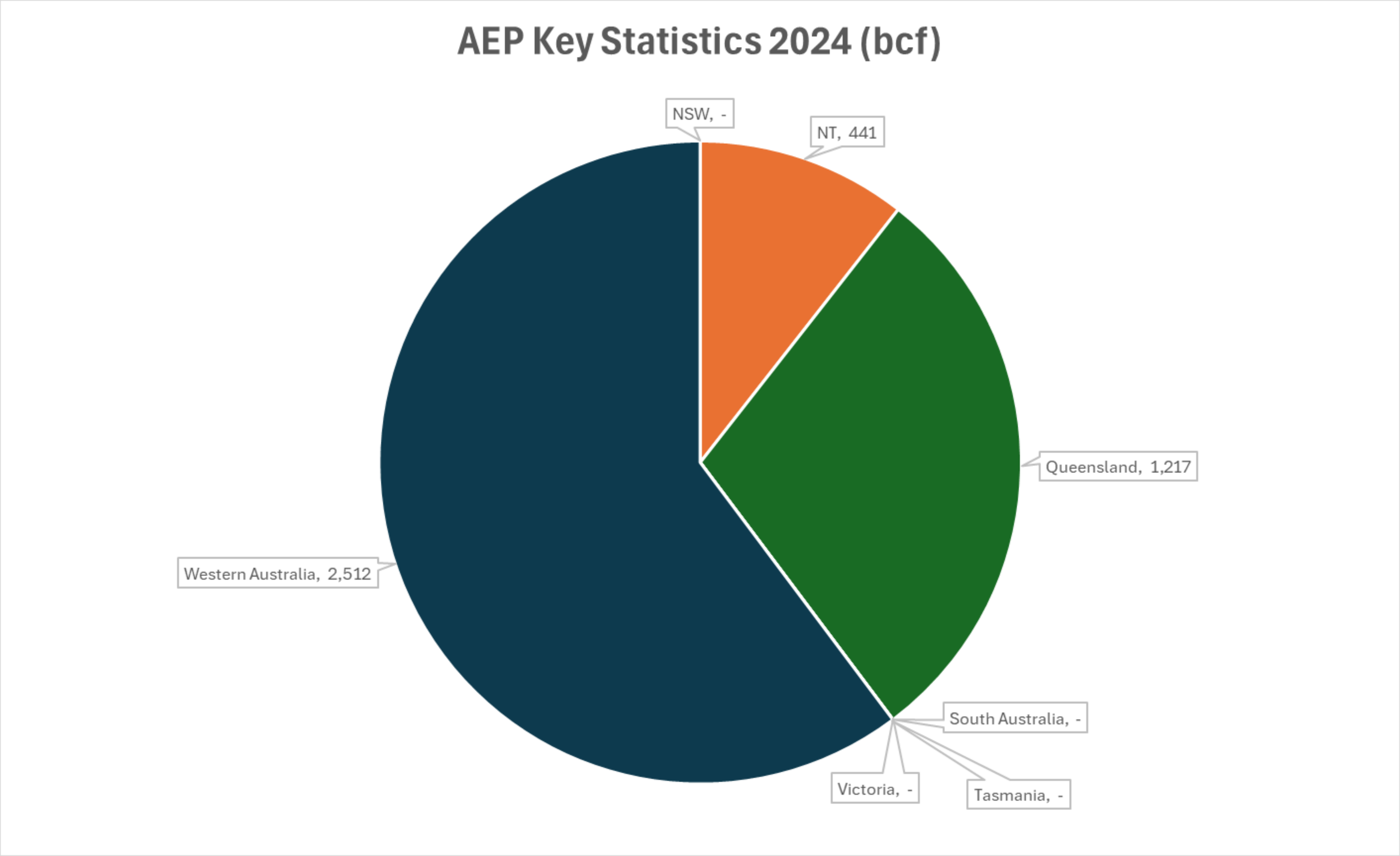
WA Domestic Gas Supply – A National Priority

Hon Bill Johnston
Australian Domestic Gas Outlook Conference
April 2025

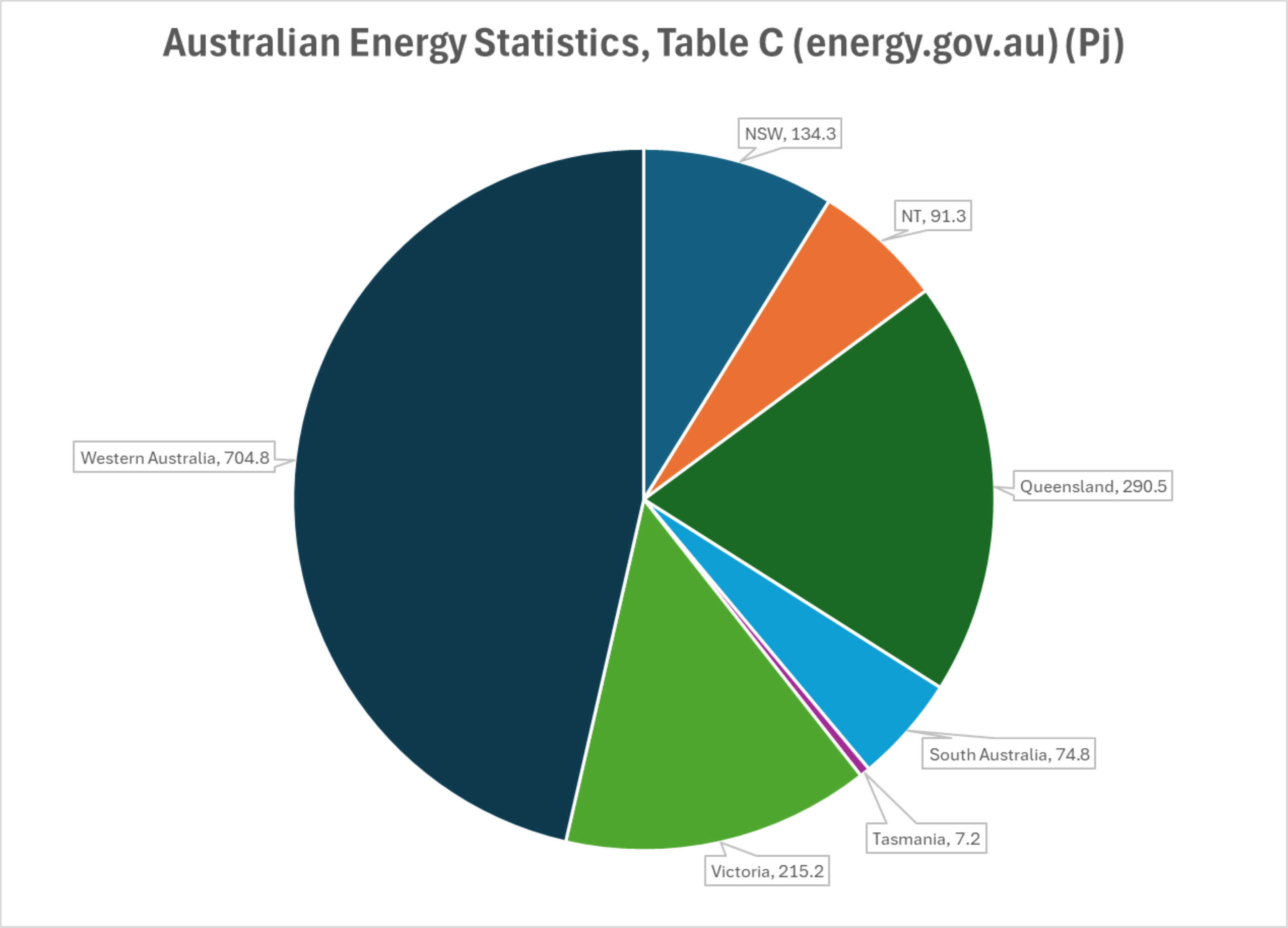
Total Gas Production by State



LNG Exports by State



Domestic Gas Use By State



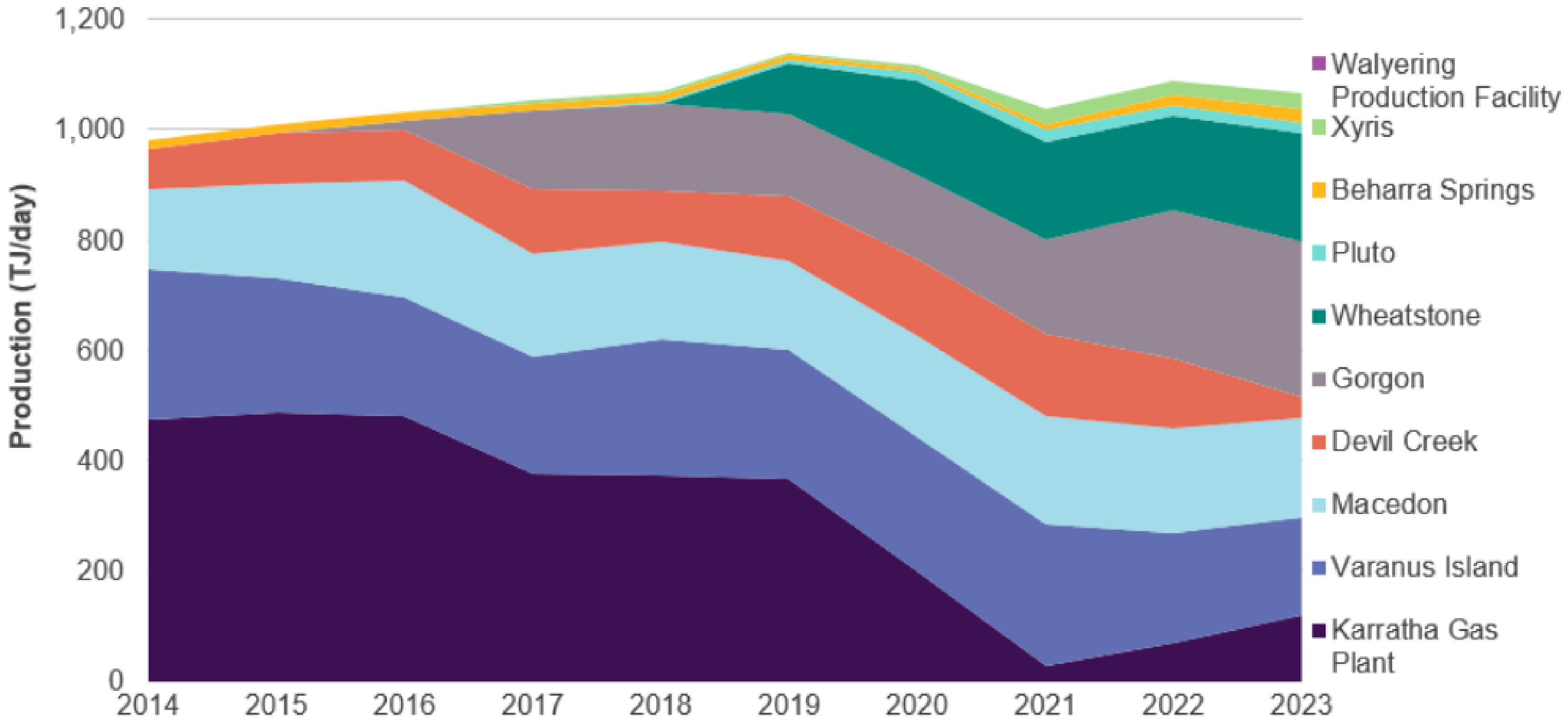
Western Australian LNG Projects: Export & DomGas Facilities

• North West Shelf	5 x LNG Trains	2 x DomGas Plants
• Gorgon	3 x LNG Trains	2 x DomGas Plants
• Wheatstone	2 x LNG Trains	1 x DomGas Plant
• Pluto 1	1 x LNG Train	Not connected to WA pipeline infrastructure
• Pluto 2 (Scarborough) (Under construction)	1 x LNG Train	1 x DomGas Plant
• Ichtys	LNG Plant in Darwin	Not connected to WA pipeline infrastructure
• Prelude	Floating LNG Plant	Not connected to WA pipeline infrastructure

Western Australian DomGas Supplies

(AEMO GSOO)

Figure 17 Average annual gas production by facility, 2014 to 2023 (TJ/day)



Most WA DomGas is NOT for Grid electricity ...

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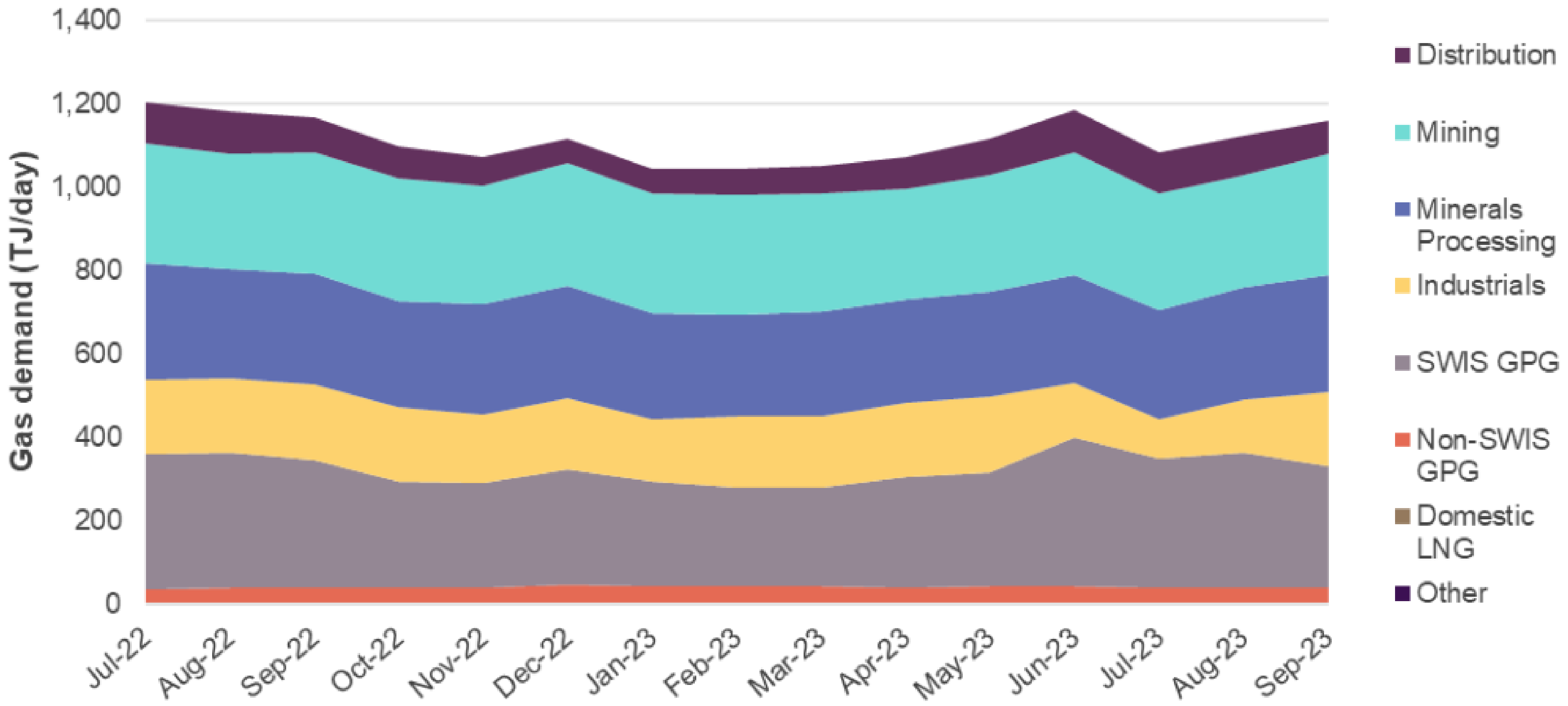
Figure 5 Gas demand by sector, July 2022 to September 2023 (TJ/day)



Source: WA GBB.
Note: Average gas demand data is up to 30 September 2023.

WA DomGas Supply/Demand Forecast

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Table 1 Potential gas supply and domestic demand forecasts (TJ/day), 2023 to 2033

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	10-year annual average growth rate
Potential gas supply	1,053	1,077	1,044	1,023	1,098	1,191	1,241	1,160	1,122	985	963	-0.9%
Domestic gas demand	1,066	1,133	1,153	1,147	1,124	1,249	1,241	1,237	1,310	1,340	1,325	2.2%
Difference	-13	-56	-109	-125	-26	-58	0	-77	-188	-354	-362	-
Difference as % of demand	-1.2%	-5%	-9%	-11%	-2%	-5%	0%	-6%	-14%	-26%	-27%	-

Post-2030 Supply Options

- Just not bother?
  - Possible, but huge job losses, export crash, huge national economic impact
- Divert LNG Export Cargos?
  - No practical pathway
- Second DomGas train at Wheatstone?
  - Possible
- Back-fill Varanus, Macedon and Devils Creek?
  - Possible
- On-shore Expansion?
  - Difficult
- Kimberley Unconventional Gas?
  - Very Difficult, including huge infrastructure requirements
- Browse to NWS
  - Difficult but will solve the challenge

Delivering State Economic Benefits and Supporting Security of Supply

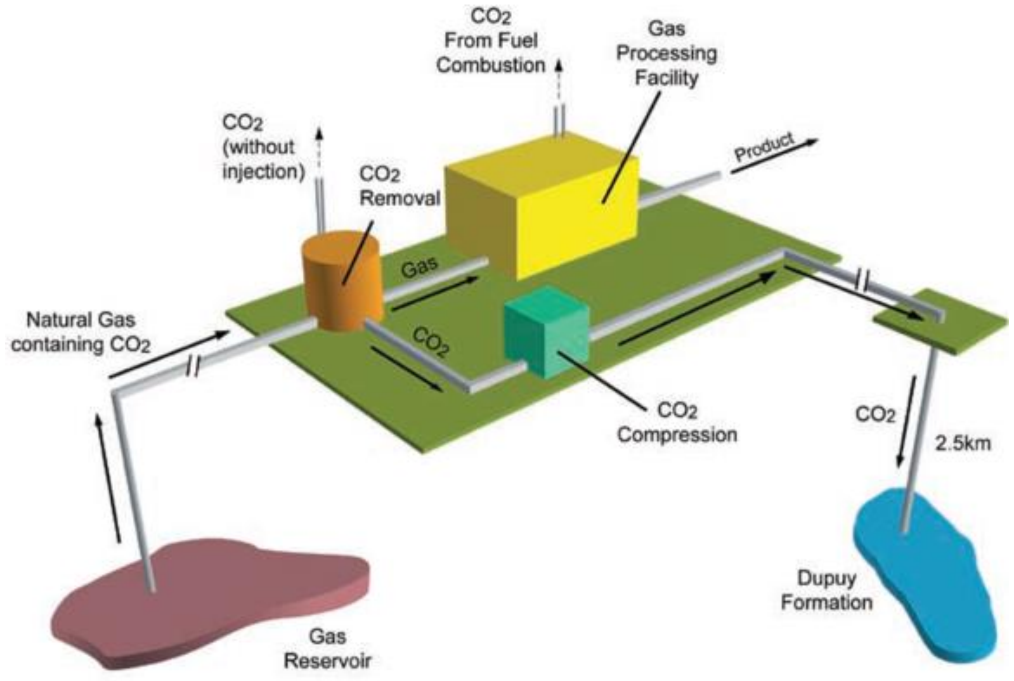
- WA Is Australia's #1 Merchandise Exporter
  - Supporting WA exporters is a key national priority
- DomGas is the key to WA export industries
  - Electricity Generation (grid & off-grid)
  - Process heat
  - Re-agent
  - Feedstock
- Many processes can't use alternatives
- LNG Exports support DomGas Production

Applying the proposed changes to WA's DomGas Policy to prioritise domestic supply

- WA DomGas policy was framed around off-shore projects
  - No direct State Government control
  - Not analogous to Queensland LNG
  - No pipeline gas exports
- 2024 update takes account of changing environment
  - DomGas supply continues to be balanced
  - Brief export window encourages earlier production
  - Can be revised for post-2030 environment as market responds

Addressing environmental challenges to enable successful new gas projects

- Can't ignore environmental challenges
  - Carbon Emissions
  - Indigenous Heritage
  - Direct Environmental Impact
  - Whales, marine environment
  - Decommissioning
  - Many other impacts
- But questions are:
  - Is this project needed?
  - If not this project, which other project?
  - How do you manage the risks/impacts



Thank you!

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