Government of **Western Australia**
Department of **Jobs, Tourism, Science and Innovation**

WA Domestic Gas Policy

Implementation Update

AEMO WAGCF

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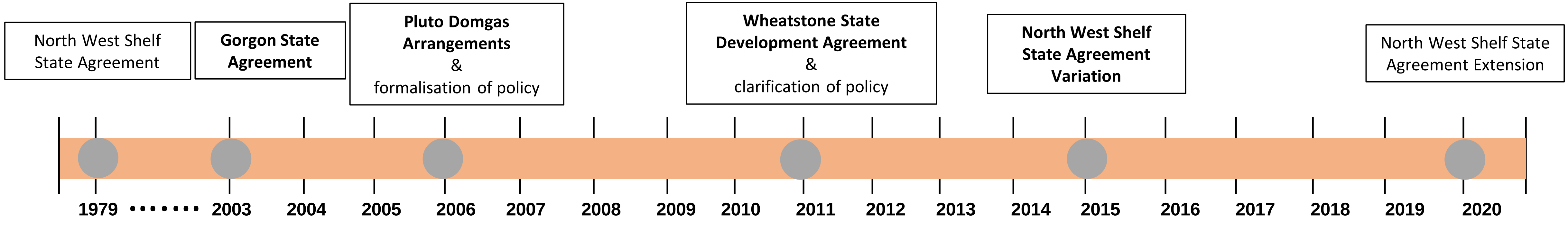
Three Pillars – *WA Domestic Gas Policy*

- **The *WA Domestic Gas Policy* secures the state's long-term energy needs by ensuring LNG export projects also make gas available in the domestic market and supports industrial development.**

Reservation
Reserve domgas equivalent to 15% of LNG production.

Infrastructure
Develop and maintain access to domgas supply infrastructure.

Marketing
Show diligence and good faith in marketing gas to WA consumers.



Implementation of Domestic Gas Policy

Long-term contractual arrangements with State

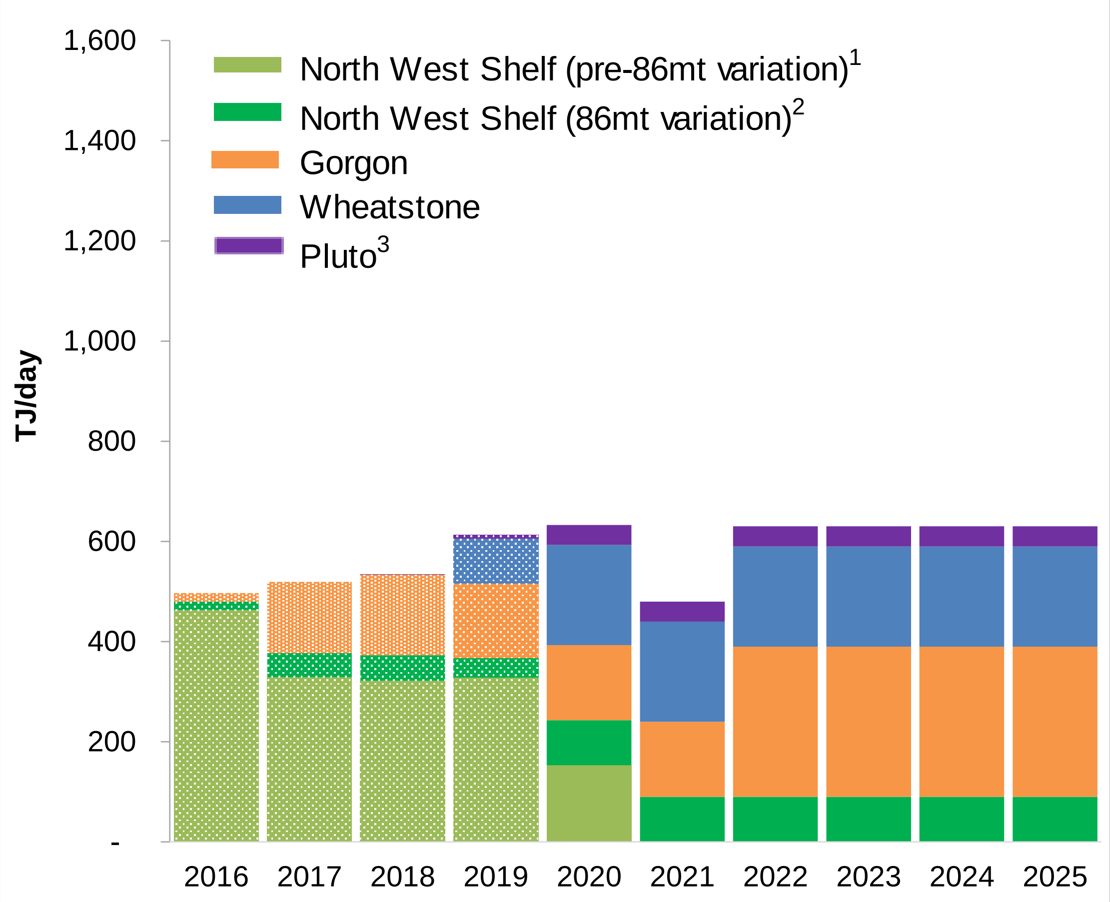
Project *Operator, date*	**Indicative Domgas Commitment** *TJ/day (Total PJ)*	**Domgas Supply Infrastructure Established**
Gorgon Chevron, 2003	300 TJ/day (2,000 PJ) (marketed in two 150 TJ/day tranches)	300 TJ/day domgas facility
Pluto Woodside, 2006	115 TJ/day (450 PJ)	15 TJ/day LNG truck loading facility and 25 TJ/day pipeline gas compression facility
Wheatstone Chevron, 2011	200 TJ/day (1,600 PJ)	200 TJ/day domgas facility
North West Shelf Woodside, 2015	90 TJ/day[1] (660 PJ[2])	630 TJ/day domgas facility

Source: JTSI

[1] Based on the State Agreement term prior to extension in February 2020. [2] Excludes contracts struck prior to 2015 NWS variation agreement.

Evolution of Domestic Gas Policy Arrangements

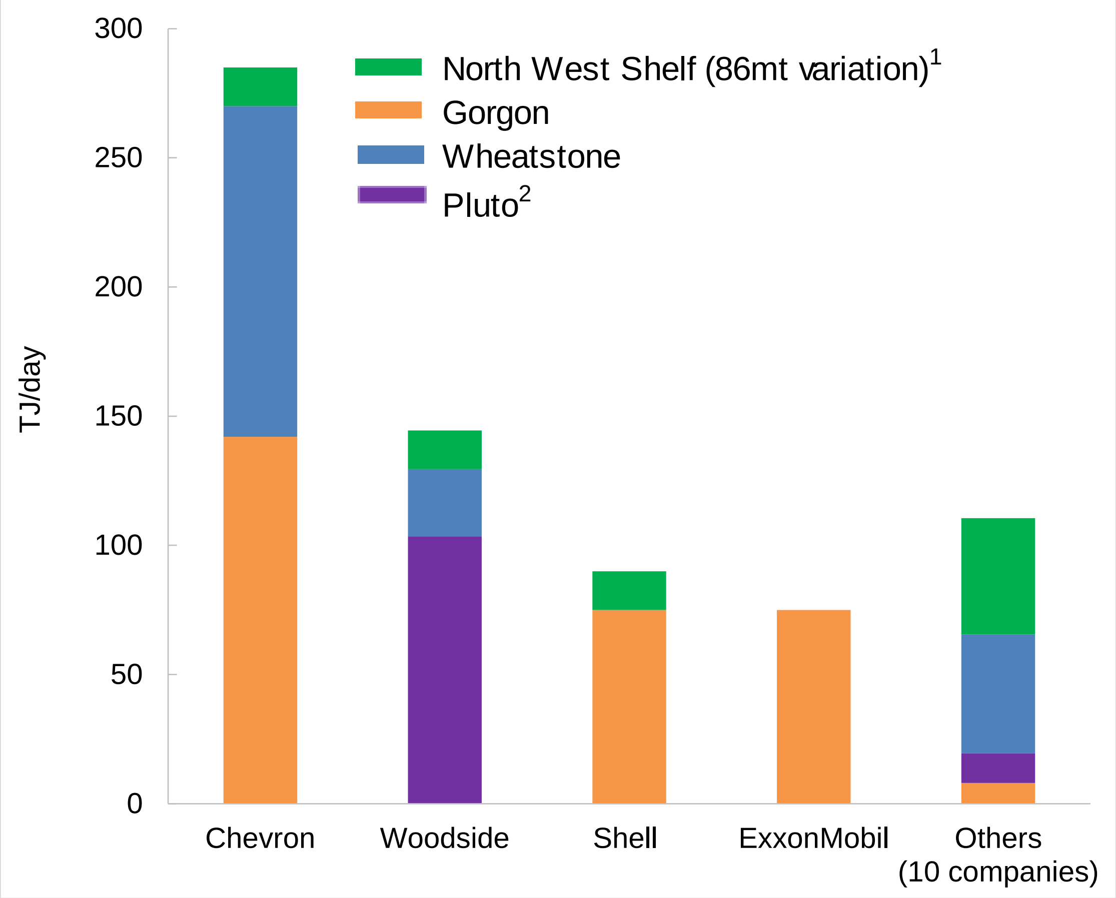
Fig 1. Indicative domgas policy commitments



Source: JTSI Dotted areas represent actual historical supply.

1 Indicative production **2** Based on the State Agreement term prior to extension in February 2020. **3** Based on infrastructure in place.

Fig 2. Ownership of domgas policy commitments



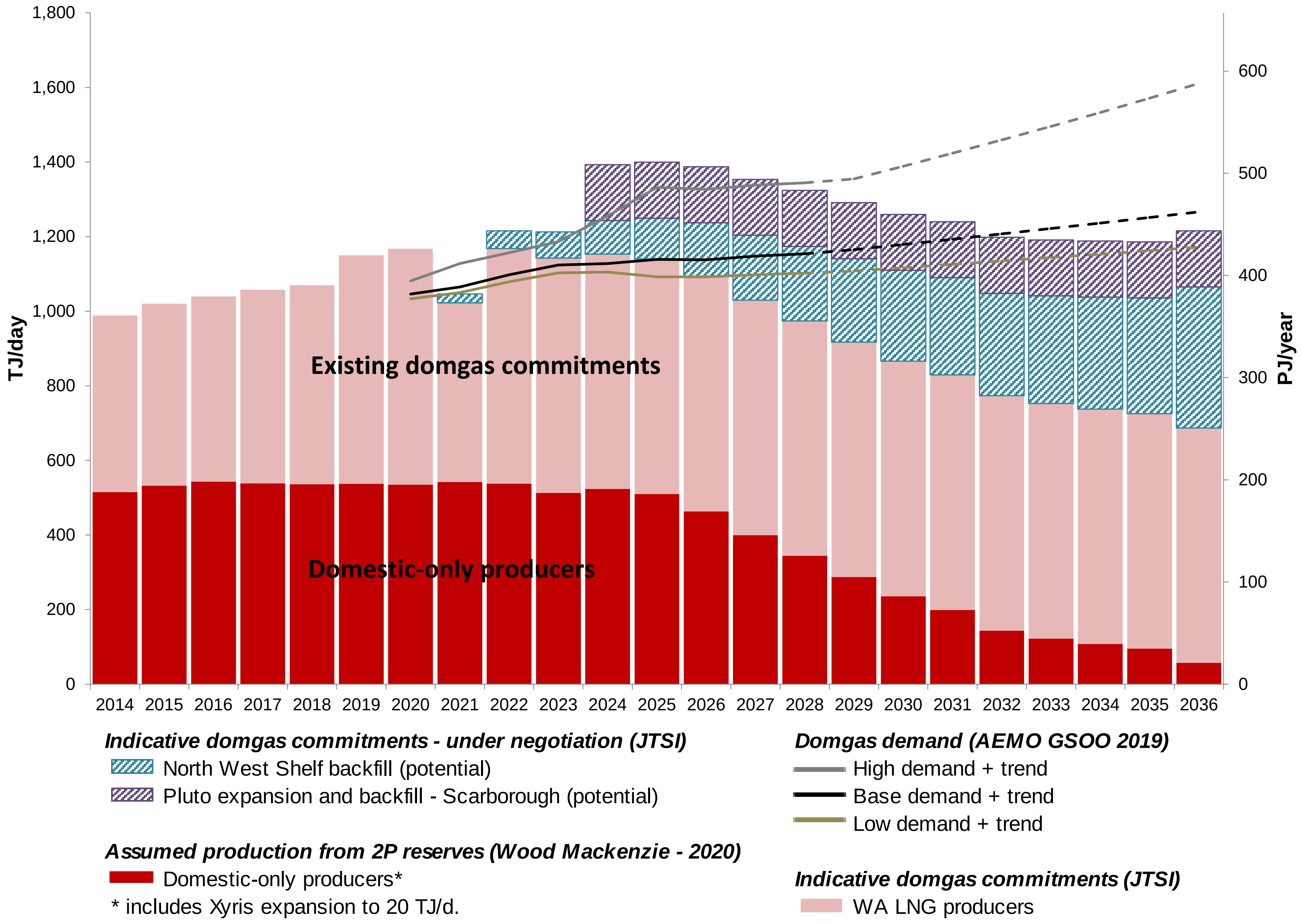
Source: JTSI

1 Does not reflect extension of the State Agreement assented to in February 2020. **2** Based on full commitment.

Implementation of the Policy and Gas Market Outlook

Next phase of WA gas market development

- New users of Burrup LNG facilities subject to domestic gas commitments.
- Perth Basin gas finds.
- New gas creates opportunities for new industry.



Domestic Gas Market Issues

Gas for downstream processors

- Priority for government.
- Marketing in good faith.

Pipeline gas for LNG export

- Interest from Perth Basin developers.
- Government watching closely and considering options.

Government Priorities

- Facilitate Burrup LNG approvals and secure robust domestic gas commitments.

- Clarity where commitments lie and confidence they are being given effect.
  - Strengthen compliance monitoring by government.
  - Improve transparency for market on commitments and gas availability.

- Gas availability for downstream development.

Initiatives

WA Domestic Gas Commitment Statement

- Focus on *WA Domestic Gas Policy* commitments and how they are being given effect.
  - Provide market with information it needs.
  - Minimise administrative burden and respect commercial outcomes.
- Public issues paper planned.

Downstream opportunities study – LNG Jobs Taskforce

- Assess the opportunity, identify barriers and options for addressing them.
- Downstream processors and gas industry consultation.

Contact Us

***WA Domestic Gas Policy* Website**

http://www.jtsi.wa.gov.au/economic-development/economy/domestic-gas-policy

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