



# SA gas grants announced

## ELIZABETH FABRI

THE South Australian Government has provided \$24 million in funding towards five emerging gas projects as part of its first round of Plan for Accelerating Exploration (PACE) Gas grants.

The grant scheme was announced to the industry last October in an effort to boost local supply and provide guaranteed first gas to South Australian electricity generators to put downward pressure on prices.

Recipients of the grants included the Senex-Santos Cooper Basin pipeline project which received \$5.82 million in funding; Beach Energy which received \$6m towards its Otway Basin exploration project targeting conventional reservoirs; \$3.96m for the Santos Cooper Basin re-fracture stimulation project; \$2m for the first phase of the Strike Energy Cooper Basin deep coal project; and \$6m for the Santos Cooper Basin underbalanced drilling project.

The State Government announced applications for the second round were now open, and it was also offering new exploration licences for five blocks in the Otway Basin.

The exploration region would be open to a competitive bidding process which would be finalised by the end of this year.

South Australian Mineral Resources minister Tom Koutsantonis said securing local gas supply was key to lowering power prices in the State.

“There is enough gas in the ground in South Australia to power our grid for centuries, and this package of measures will help us extract more of that gas, boost local electricity generation and put downward pressure on price,” Mr Koutsantonis said.

South Australian Chamber of Mines and Energy chief executive Rebecca Knol said the importance of the grants “cannot be understated”.

“South Australia has the richest renewable resource per head of population in the world, but requires baseload to capitalise on this advantage,” Ms Knol said.

“Gas will do this and move SA closer to a low carbon economy and continue to provide affordability, security and reliability.”

Australian Petroleum Production Exploration Association South Australia director Matthew Doman said the grants came at a time when onshore exploration activity in Australia was at its lowest level in more than three decades.

“Unlike other governments which have chosen to lock up their gas resources, South Australia continues to set the pace when it comes to supporting the safe and responsible development of natural gas,” Mr Doman said.

“The local gas industry will now work with the Government and community to help secure reliable, affordable energy supply for South Australians.”

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