

AUSTRALIA

Australia has in excess of 25,000 km of gas transmission pipelines. The major gas producing fields are located in central Australia, north east Australia and Western Australia.

Most of the gas in Australia is produced from the conventional reservoirs and from Coal Seam Methane beds. Shale Gas production in Australia is in very early stage and still has a long way to go before the Shale gas production can be deemed viable and successful.

Australia currently has 4 operating LNG plants but will have 6 more by the end of 2016. This list includes Chevron's Gorgon LNG plant which is due for supplying LNG by 2015-16. All of these LNG plants are planned for export market.

This growth in LNG production has created a huge demand for natural gas and has resulted into the growth of exploration and transmission industry as well. The eastern coast of Australia is well gridded and the gas to the eastern LNG stations can be supplied almost all the gas fields.

Although this growth is perceived as long term source for export revenue, it will potentially result into cost increase in domestic gas market. Recently the federal and state governments have decided to form a strategy to prevent price rise in domestic market. Nothing has been finalised yet but strategies like subsidising the gas price for domestic consumption or by reserving the percentage of production for domestic market are proposed.