



**New Submission to Inquiry into Unconventional Gas in Victoria .**  
**Inquiry into Unconventional Gas POV eSubmission Form**

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To: epc

History: This message has been replied to.

Inquiry Name: Inquiry into Unconventional Gas in Victoria.

Mr Brian O'Sullivan AM



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#### SUBMISSION CONTENT:

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As a former Victorian resident and an experienced Oil and Gas Engineer and company Chairman, I am writing as a duty of care to the Victorian Government advising that I consider the residents and industry of Victoria will face economic hardship if drilling and oil and gas development remains banned on shore.

By March 2016 all LNG export trains are scheduled to be completed in Gladstone with industry economists predicting a major uplift in the gas demand and the east coast domestic price of natural gas. The majority of material long term gas supply agreements between east coast suppliers and retailers are understood to be expiring in the current and near term. Suppliers and retailers are generally undertaking short term agreements for supply, because of uncertainty on supply price. There are many published submissions and information from reputable firms such as ACIL Tasman validating these issues summarised above.

Victorian residents and industry can only be negatively impacted by gas price increases. Industry representative bodies for gas users are vocal about their members needs to lock in long term gas supply agreements at reasonable prices. They have also been vocal that their members are under pressure to scale back, close down or move to other parts of Australia or overseas when they can gain certainty on price and long term delivery tenure.

In an open market, one way to address this demand driven price increase is to increase supply. Onshore Victoria have purportedly significant gas reserves that can supply local industry and residents of Victoria at lower long term prices, nominally because of the cost of transporting gas to Gladstone.

State and Federal EPA agencies have approved conventional and unconventional gas

developments in other parts of Australia. This must surely validate that drilling and development can be undertaken in environmentally acceptable ways. Almost every hydrocarbon well in Australia since 1959 has been hydraulically stimulated (now known as fracking) and this is approved and undertaken in the majority of jurisdictions in the world.

Rural areas receive major economic benefits from oil and gas developments, creating employment and regional prosperity by the investment of millions of dollars. The towns in the Surat in Queensland are testimony to this.

As a member of the Order of Australia for services to the Oil and Gas industry, I urge the Victorian Government to overturn the ban on drilling and fracking for the benefit of all Victorians and all Australians.

I would be delighted to assist the Government in any way to make the suggested change.

Sincerely

Brian O'Sullivan AM  
Executive Chairman  
OSD

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File1:

File2:

File3: