

Gas export controls 'ready to go' if energy industry fails in crisis -- PM

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Gas shortages on Australia's east coast could be three times worse than expected, but Prime Minister Malcolm Turnbull has stepped back from immediate export controls while threatening them in future.

New reports from the Australian Energy Market Operator (AEMO) and the competition watchdog warn that a gas shortfall next year is much more likely than was expected.

The Federal Government will discuss the reports with energy companies this week and remind them that if the shortage is not addressed, then exports will be restricted. This would be the latest in a series of top-level talks.

The vast majority of gas produced in Australia is shipped overseas, which has been blamed for the shortage and the increasing gas prices in the eastern states.

[Mr Turnbull foreshadowed the market intervention earlier this year](#), in a bid to secure supply in 2018.

These new reports indicate that gas companies will need to do more to ensure local supply and to avoid the export controls.

AEMO now projects a shortfall of up to 107 petajoules in 2018 and 102 petajoules in 2019, warning that the [risk of energy blackouts requires "close attention and monitoring"](#).

The [Australian Competition and Consumer Commission \(ACCC\) warns the supply-demand outlook has "significantly deteriorated"](#) since its last inquiry, with a "substantial shortfall" now likely in 2018.

Mr Turnbull said that export controls would not be introduced without consultation with the industry but could be avoided if gas companies acted quickly.

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In the short-term, fixed prices could reduce Australia's crisis of soaring electricity prices, but the long-term solution is greater investment in renewables and energy storage, according to some analysts.

"We want to see a plan from them — we want to see a commitment — then we want to be satisfied that it meets the requirements of the ACCC," Prime Minister Turnbull said of the big companies involved.

"Clearly, the objective is for the industry to fix the problem by agreement."

Local MPs have gone quiet on the energy crisis, not responding to requests for their plans from WVRA Inc.

State MP Lee Evans and Federal MP Craig Kelly did not respond to the following questions sent five days ago. [Both are Liberal backbenchers, while Mr Kelly is chair of the Federal Coalition's energy-policy committee.]

- 1- huge rises in domestic electricity prices,*
- 2- a Clean Energy Target and opposition to the concept,*
- 3- the sell-off of cheap gas to overseas markets at the expense of Australians,*
- 4- continued dominance of dirty fuels such as coal, coal-seam gas etc in our aging power stations,*
- 5- secondary status to renewable energy as future alternatives, with little viable planning in sight.*

"Your past position and comments for the future would be appreciated on each issue for our newsletter," wrote Don Pagé, president of Woronora Valley Residents Association Inc

While Mr Turnbull has not pulled the trigger on export controls, he has made it clear to energy companies that the Federal Government is willing to do so.

"We will continue to hold that mechanism ready to go ... (in) changed circumstances -- that is, a much bigger shortage than previously advised," he said.

"If we are not able to receive the assurances from the industry to our satisfaction and that of the ACCC, then we will impose those export controls."

Opposition Leader Bill Shorten has repeated his calls for export restrictions to be immediately imposed, tweeting "it's time to pull the trigger on export controls. Why does [Mr Turnbull] refuse?"

Based on an article by political reporter, Henry Belot,

<http://www.abc.net.au/news/2017-09-25/gas-shortfall-could-be-worse-than-expected-acc-aemo-report-says/8984306>

Related story: <http://www.theaustralian.com.au/national-affairs/renewable-energy-policies-will-kill-people-says-craig-kelly/news-story/686f72a50aa9e62778ef5a25dec3559a>

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