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COAG Energy Council Secretariat

Via email – energycouncil@industry.gov.au

Dear COAG Energy Council Secretariat

Gas Supply Strategy Implementation Plan – Consultation Paper

Santos welcomes the opportunity to comment on the COAG Energy Council's Gas Supply Strategy Implementation Plan Consultation paper. As a proudly Australian company, Santos is a leader of the Australian natural gas industry, with more than 60 years of responsible gas exploration and production across the nation. It is with this experience that we make the following comments.

As noted in previous submissions to the AEMC and ACCC with regards to transparency and information measures, Santos reiterates its support for increased transparency of market relevant information. Although along with this support we also believe that there should be additional scrutiny on:

1. What is the purpose of the additional information being requested?
2. What benefits does the additional information provide market participants, especially to facilitate trade? and
3. What are the additional administrative burdens on the providers of this information?

A rigorous test of the benefits and the costs should be undertaken, and Santos has and will continue to be available to assist in this regard.

Santos currently provide significant amount of information to State and Federal Government Departments, market operators and regulators as well as under our listing rules with the ASX. We request that all efforts are made to reduce the doubling up of this information and that all levels of Government and industry work together to ensure that the burden for repackaging existing information is not pushed back to the producers in the first instance. There are efficiencies that can be gained by looking at this information at a holistic, nationally harmonised level, a precursor perhaps to a national harmonised regulatory framework for on-shore gas.

Santos is also a strong supporter of increasing the frequency and accessibility of science based information in relation to the exploration and production of gas, especially from on-shore environments. Santos is a member organisation of:

- Gas Industry Social and Environmental Research Alliance (**GISERA**) with the CSIRO whose stated aims are to carry out research and provide information for the benefit of Australian communities in CSG and shale gas regions and industry and to inform governments and policy-makers of key research outcomes; and
- The University of Queensland's Centre for Coal Seam Gas (**CCSG**), which conducts research and supports education in key discipline areas including economics, business, petroleum engineering, geosciences, water, ecology and social sciences.

It is essential that the collaboration between independent research organisations, Government, industry and the communities where we operate continues, with the aim of allowing quality scientific research to become accessible to ensure that debates on the benefits developing our vast gas resources can be more accurately balanced with the science of doing so. Too often the debate on the relative merits of on-shore gas exploration moves away from the science, fact based evidence to more emotive an alarmist claims. Santos does not shy away from the debate, views of the communities where we operate are important and helps shape the areas where we must engage on further. What we do ask is that Government and policy makers use the rigorous science and factual information as the reference point.

The ACCC in their report on the Inquiry into the east coast gas market report have made a number of recommendations on the issues that are restricting supply being brought to market. Santos hope that these recommendations on lifting blanket regulatory impediments and the effect gas reservation are discussed and reinforced by the Council.

Santos appreciate the ability to respond to the consultation paper and commend the COAG Energy Council for its leadership on these important issues.

Should you have any questions in relation to this submission, please contact me at matt.sherwell@santos.com or on (08) 8116 5824.

Yours sincerely

Matt Sherwell

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