



MEDIA RELEASE

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GOVERNMENTS MUST ENSURE REGULATORY CERTAINTY FOR GAS INDUSTRY: APIA

The Australian gas industry has called on the Federal and State Governments to remove the policy doubts that could have costly consequences for the national gas transmission industry.

The Australian Pipeline Industry Association (APIA) Chief Executive, Ms Cheryl Cartwright, today told a Brisbane audience that many aspects of the new regulatory regime proposed by the Federal Government were unnecessarily ambiguous.

“APIA has today asked the Federal Resources Minister, Hon Ian Macfarlane MP, to clarify these issues and restore the industry’s confidence in the regulatory regime and the manner in which policy will be implemented,” Ms Cartwright said.

Ms Cartwright said APIA’s Board raised a number of issues with Mr Macfarlane before he addressed an APIA lunch today in Brisbane and “the Minister has assured us there will be full consultation with the industry”.

“The industry fought hard to retain the right to appeal against a decision by the national regulator but it now appears that new conditions attached to that appeal mechanism could disadvantage the gas industry,” she said.

“Industry is also concerned about policy changes that will give the national regulator greater control over commercial decision-making by gas pipeline owners.

“We asked Minister Macfarlane to consider whether the regulator would also accept the commercial risk or consequences that could flow from such commercial decisions.”

Also, the Ministerial Council on Energy’s proposal for ‘monitoring’ of the industry, as a light-handed alternative to direct regulation, has been queried by APIA’s membership because it is not yet clear that it will genuinely offer less intrusive regulation.

Ms Cartwright said that these ambiguities are emerging while the legislation is being drafted which heightens APIA’s concerns.

“Industry has not been consulted on many significant changes but the Minister has assured us that there will be enough time for serious review before the legislation is introduced,” she said.

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