

APPEA 2017 Paper Abstract

East Coast Gas Market Supply and Demand Dynamics

The Australian east coast gas market has been incorporating a number of independently significant market changes over the same period of time including:

- introduction of nearly 30mtpa of LNG export capacity in Queensland with the sudden interaction with international market price outcomes;
- doubling of gas production in less than three years and the misalignment of supply and demand over the same period as well as regionally diverse extraction conditions;
- rise of new market structures and the new expectations of market interactions by existing and new players by operators and government; and
- alignment with electricity market structural changes due to combination of regulatory uncertainty and the currently disorderly shift away from coal toward renewable electricity sources.

Energy Edge investigates the competing market drivers in supply and demand and the resultant impact on the wholesale gas prices through the utilisation of the Gas Market Analysis Tool including clear visualization of the different stages of gas oversupply and scarcity in the seven years since the first commitment of the LNG facilities.