



Australian Gas Industry Trust

Message from the AGIT Chair



Well, what a start to the year we have had.

We've seen record high LNG prices, increasing demand for gas coming off the back of COVID as manufacturing ramps up and a bitterly cold winter bites the northern hemisphere.

We also saw the devastating blackouts in Texas caused by a power grid that just wasn't prepared for such an extreme weather event, and a state which lacked regulation to connect to interstate power grids nor properly maintain its own grid. With extreme weather events on the rise we need to gain a better understanding of this new landscape. This is why, here at AGIT, an important research piece around the role of gas in the NEM is on the agenda for this year.

We have also been busy implementing the Strategic Plan, we've got a working action plan, and we've formed oversight committees to ensure AGIT provides the best support we can for the gas industry.

On a social note, a group of us heading out to Dalby in April for the inaugural Toowoomba and Surat Basin Enterprise Energy Awards night. We are really looking forward to it and hope to meet up with some of you face to face again.

Finally it is with sadness that I report on the recent passing of AGIT-IGU friend and colleague, Geoff Hunter. From everyone here at AGIT, our sympathies go out to Geoff's family and friends.

Graeme Bethune

Message from the AGIT Executive Officer



Reiterating what Graeme said, it has been a busy start to the year.

Implementing the strategic plan has seen us change up our internal processes and support more projects. We are now funding the National Decarbonisation Plan in conjunction with ENA and APGA, and the QMEA who will include the topic of hydrogen into their educational material and [OresomeResources](#) website. This site is a nationally acclaimed educational website, and we are proud to be involved.

We will also be tendering for several research projects on the topics of greenhouse gas emissions, industry employment numbers, and the role of gas in the NEM.

AGIT also helped form a 'Gas Industry Communications Collaborative', a group who meet regularly to share their organizations' priorities and activities now and into the future.

Gas Speak Executive will be trialed in April, however it was heavily oversubscribed so we will look at having another mid-year. Gas Speak is also scheduled for November.

Finally, we have teamed up with Trademutt Workwear to support mental health across the industry. We have a couple of Trademutt shirts to give away. Competition details within.

If you would like to partner with us or have any project ideas please [contact me](#).

Jen Thompson



1. AGIT NEWS

AGIT Strategic Plan finalised

We finalized the AGIT Strategic Plan by recognizing the Net Zero Emissions push and adding decarbonisation to the narrative under the enabling strategy “Coordinate, collaborate and represent”. We believe this better reflects the current attitude held by our industry and going forward.

Coordinate the development of a narrative on the Australian gas industry’s future, **including decarbonization**, and associated messaging



The 2-page flyer has been published which is based on the AGIT Strategic Plan. It outlines our vision, mission, purpose, objectives, and performance indicators. It is now up on the [AGIT website](#).

AGIT Action Plan

The Action Planning stage has also been completed. In short, AGIT will endeavour to

1. Add value to the industry’s knowledge by commissioning research into key areas e.g. emissions, alternative gases, decarbonisation, community perspectives and future workforce skills,
2. Continue to work with organizations such as the Petroleum Club of Western Australia to expand our impact in schools and universities to grow the domestic workforce pipeline, and offer professional development opportunities to support the industry,
3. Collaborate with industry and government to develop an industry narrative as we move into a new and changing world and
4. Promote Australia and our industry on the international stage via our representation at the International Gas Union and share international gas activities with Australia.

If you would like to suggest a project or something that we could get involved with, please make contact (jthompson@agit.org.au)

The National Decarbonisation Plan

The Board agreed to fund the National Decarbonisation Plan project. This project follows on from Gas Vision 2050 by developing a detailed plan to support the decarbonisation of transmission pipelines and distribution networks. It will



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provide information on the actions to be undertaken by individual businesses to enable blending renewable and decarbonized gases by 2030 and de-risk conversion to 100% renewable gas from the 2030s.

The Queensland Mines and Energy Academy

We also funded the QMEA who will include the topic of hydrogen into their educational material and [OresomeResources website](#). This site is a nationally acclaimed educational website, and we are proud to be involved.

Tendering Opportunities

We will soon be tendering for some greenhouse gas emission research projects, another on nailing down industry employment numbers and one on the role of gas in the NEM.

AGIT and the TSBE

A very productive meeting was held with the Toowoomba and Surat Basin Enterprise (TSBE) group. AGIT funds their energy hub, and is a major sponsor of TSBE Inaugural Energy Awards to be held in Dalby at the of April.



the end

Celebrating the Economic Contribution of the Surat Basin Energy Sector

The TSBE is an exemplar example of how a region can collaborate to support both industry and the local community. If you would like to know more click [here](#), alternatively if you are interested in attending the Energy Awards please click [here](#).

AGIT funds Petroleum Club of Western Australia into 2021

AGIT is pleased to announce that it is a 2021 Corporate Partner and Major sponsor of the Next Generation Program again this year.

The PCWA does some excellent work connecting industry professionals in the Oil & Gas sector with schools to inspire career pathways and holding industry networking events to promote knowledge sharing amongst the industry. Click [here](#) if you would like more information.



Gas Speak Executive

Our trial of the Gas Speak Executive course was heavily over-scribed. The first 15 selected will attend a 1.5 day course with Dr David Marshall, who is well renowned in this field.

We anticipate holding a repeat in the middle of the year. Keep an eye on our [linked in](#) page to find out when applications open up again.



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AGIT's Website and Linked in page

We are very close to finalizing the new AGIT website...we'll put an announcement up on our linked in page very shortly to let you know when it's ready



Our linked in page is still the best way to get timely updates on what we are doing and other industry updates.

Please 'follow' us for all the latest information.

Click [here](#) to go to our linked in page

Trademutt Workwear Competition

We are also kicking off our Trademutt competition. Trademutt Workwear is a wonderful social enterprise helping tradies and workers look and feel great at work and in doing so, reduce the rate of male suicide in Australia. Their loud and vibrant shirts act as a catalyst to start the conversation around mental health in men.

You can visit their website [here](#)

In support of such a great organization, we have a couple of Trademutt shirts to give away. If you would like one, [email me](#) with your details and tell me what the 5 words are on the back of the Trademutt shirts. Competition closes Friday 9th April!



Vale Geoff Hunter

Finally, on a sad note, some of you may know Geoff Hunter passed away on the 24th February. Geoff was a genuine friend of AGIT and an active member of the IGU. He was instrumental in the LNG taskforce's reports over a 15 year span. Our sympathies go out to Geoff's family and friends.

2. International Gas Union (IGU) NEWS

The dates for the next 3 World Gas Conferences

As you know the 28th IGU's World Gas Conference (WGC) scheduled for May 2021 in Korea has been postponed until 23-27 May 2022.





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The 29th WGC will therefore be held in Beijing in 2025, and the 30th WGC scheduled for 2028 in Milan.

Click [here](#) for more information.

The International Gas Research Conference



The race to host the 17th International Gas Research Conference (IGRC) has been won by Banff, Canada.

The conference will showcase the industry's innovation, in particular those to come out of Canada's Natural Gas Innovation Fund. The event will be held in May 2024. For more information click [here](#) to read the press release.

If you are interested in presenting a paper, please let us know by clicking [here](#).

IGU Strategic Communications and Outreach Action Plan

Last month's IGU Taskforce1 meeting saw Australia's Matt Doman (Interim Director, Public Affairs, IGU) present the Draft Strategic Comms and Outreach Action Plan. It was well received and covered a wide variety of topics on how the IGU can better promote the industry globally.

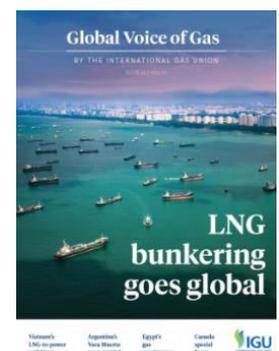
The meeting also covered off on the role of the IGU going forward and how we would communicate this. While the conversation hasn't 'landed' on a solid narrative just yet, Australia's perspective is that whole Australian industry is premised on moving to carbon neutrality, hence we were in favour of this notion.



IGU Webinars and Reports

In line with the new way of doing things, the IGU has started a webinar series. The first is 'The Role of Gas on the Road to Recovery'. If you are interested, you can register [here](#).

The International Gas Union (IGU) recently released their 3rd issue of the "Global Voice of Gas" Click [here](#) to read it online for free.



IGU President's Statement

The IGU President Professor Joe Khang recently made a statement in response to the increasing pushback on the gas industry. It was a reminder of the important role gas plays in the energy transition. Professor Khang calls for a sustainable and achievable energy transition, stating that electricity, natural gas, hydrogen, and the necessary infrastructure will be needed to help countries meet the UN Sustainable Development and Paris Goals. He stated that 'continued calls for electricity-only pathways targets are a setup for failure on both.'



Click [here](#) to read his statement.

3. INDUSTRY NEWS

The Domestic Conference scene is hotting up!

On our radar are the following:

[APPEA Conference and Exhibition 2021](#): 14-17 June, Perth

[APGA Annual Convention and Exhibition](#): 25-28 September, Brisbane

[GEA National Forum](#): 31 Oct-1Nov, Gold Coast

[ENA Conference](#): 9 – 11 November, Brisbane

Federal government support is available through the Business Events Grants Opportunity - see below for more information.

Regional Roundup

In February, the AGIT Chair and IGU Regional Coordinator North Asia and Australasia, Dr Graeme Bethune provided the following regional roundup to the IGU Executive Committee.

The IGU's North Asia-Australasia Region includes China, Japan, South Korea, Australia and New Zealand, one of the world's largest gas markets.

COVID-19 was not the only shock to hit the regional gas market in 2020. A record winter led countries in North Asia scrambling for additional supplies of liquefied natural gas (LNG), sending gas prices soaring. Beijing recorded its coldest December day in 42 years and Seoul its coldest December in 30 years. With tight LNG supplies, Japanese electricity prices soared to all-time highs, raising fears of blackouts. Delivered wholesale gas prices at factories and filling stations in northern China peaked at more than \$1,376 per tonne or \$27.50 per million British thermal units (MMBtu) on 21 December. Asian LNG spot prices reached record levels of over \$30/MMBtu in mid-January.

Cold weather was not the only factor driving high prices. China has been relatively successful at keeping Covid-19 under control, which has led to a recovery in manufacturing activity. Regional LNG supply was also impacted by supply constraints such as Panama Canal congestion and unexpected disruptions to a number of regional LNG projects.

Chinese LNG imports in December were up by 15% on November. Similarly, Japanese imports were up by 28% and Korean imports by 19%.

The spike in LNG spot prices was relatively short-lived. By 11 February the Platts JKM marker was down to \$6.90/MMBtu.

Reflecting its success at controlling Covid-19, Chinese gas consumption reached 325 billion cubic metres (Bcm) in 2020, a 6% increase on 2019, making China the world's third largest gas consumer, but natural gas still only constituted 8.8% of China's primary energy consumption. Total gas imports increased by 5%, reaching 102 million tonnes (Mt). China is the world's largest gas importer.



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In contrast, Japanese gas consumption in the 11 months to November 2020 was down by 3.4% from a year earlier. Japan imported 76 Mt of LNG in 2020, down by 4%. However, Japan remained the world's largest LNG importer. Korean LNG imports in 2020 were down by 1%, largely due to the impact of Covid-19 on industry. Australia increased its LNG exports from 77.5 to 78.0 Mt and remains the largest supplier to China and Japan and the second-largest to Korea.

There have been a number of recent important policy announcements. In China recently released gas related policies include an energy white paper, "Energy in China's New Era" and a government crackdown on any monopoly pricing behaviour by energy suppliers. Following the announcement by the Japanese Prime Minister, the Japan Gas Association has announced that the gas industry will target net zero emissions by 2050. The Australian gas industry, as represented by the upstream industry association, has announced a similar commitment.

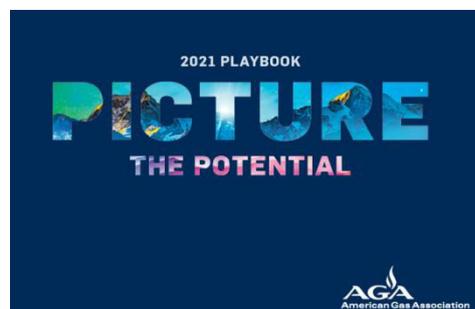
The Korean government has released its Ninth Basic Plan for Electricity Supply and Demand 2020-2034 under which LNG is proposed to achieve a 32% share (currently 26%). Korea has also unveiled its strategy to achieve carbon neutrality by 2050.

In contrast to the support for gas development in North Asia, the New Zealand Climate Change Commission has proposed a ban on new gas connections into homes from 2025. The New Zealand gas industry regulator has announced an investigation into the security and certainty of the country's natural gas supply.

The American Gas Association's Playbook

The American Gas Association's Annual Playbook has just been released. It provides common facts about the US gas industry including data and messages about how the industry is working together to deliver energy while also reducing carbon emissions. It covers the history of natural gas, the challenges and opportunities of the industry and priorities going forward.

Click [here](#), it's a very good summary of the industry and its importance.



Federal Government's Business Events Grant Opportunity

The Business Events program provides delegates, including buyers and sellers, with financial support to attend and participate at exhibitions, conferences and conventions. The initiative will instill confidence back into the business events sector and encourage businesses to return to the event forum.

The federal government grant will cover up to half the cost of attendance at conference events across the gas industry. The grants apply to a number of costs including registration, travel, accommodation, sponsorship, and costs associated with exhibiting and range from \$5,000 to \$250,000.

Responding to early feedback on the program, the government has halved the minimum amount to be spent to \$10,000, increased the amount that can be claimed for sponsorships, increased the number of delegates who will be covered and extended the deadline for applications to 30 June 2021.

The screenshot shows the Australian Government Business website. The header includes the Australian Government logo and the text "Business business.gov.au". A navigation menu lists "Registrations", "Business Information", "Grants & Programs", "Expertise & Advice", and "Events & Training". The breadcrumb trail is "Home > Grants & Programs > Business Events Grants". The main content area is titled "BUSINESS EVENTS GRANT OPPORTUNITY" and features the heading "Restarting Australia's Business Events Sector".



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Click [here](#) for more information

**And finally, from everyone here at AGIT we wish you and your families
a safe and happy Easter Break**

