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Gas industry hails NT poll result as green light for fracking

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Gas explorers in the Northern Territory have seized on [the early results from the Territory election on Saturday](#), saying they resoundingly endorse the industry's potential to provide jobs and economic growth.

The industry welcomed the lack of support for anti-fracking minority parties and noted that over 70 per cent of the primary vote was cast for the two major parties, Territory Labor and Country Liberal Party, both of which support onshore gas exploration.





Origin Energy is looking to resume exploration in the Beetaloo Basin either this quarter or next. **Origin Energy**

[Fears that the fledgling Territory Alliance run by former Chief Minister Terry Mills](#) – which pledged to veto fracking – could end up holding the balance of power proved unfounded as Mr Mills lost his seat to the Country Liberal Party.

"We're pleased with the result; it just provides the stability and the authority of the Parliament required to see the industry move forward," said Alex Underwood, chief executive of Empire Energy Group, which is due to start drilling its first well in the remote Beetaloo Basin next month.

"It appears the Territory Alliance will pick up at most one seat and so it seems to me at this early stage that the issue of onshore gas clearly wasn't a major one for this election."

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Early indications that Territory Labor would be returned to government came as a huge relief to explorers poised to drill in the basin in the hope of proving up several trillions of cubic feet of gas resources that could provide a major regional economic boost as well as a potential source of supply for the east coast.

"It's a good outcome for the continued development of the resources in the Territory. I think what it says is also that activism equals noise, not votes," said Andrew McConville, head of the APPEA oil and gas industry body.

"We were pleased to see that people didn't take what Terry had been suggesting as a good path forward for the Territory; clearly it wasn't and the electorate has said that."



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Former federal resources minister Matt Canavan described the result as "a great vindication for gas development in Australia".

"The two major parties that support fracking combined achieved a vote of 70 per cent so that's a mandate to develop these gas resources for the benefit of the Territory and Australia," he said.



doesn't seem to really actually translate in a widespread way at the ballot box. And in a post-COVID environment, people are a lot more focused on jobs at the moment above almost everything else."

Senator Canavan said there was still a risk that a minority Labor government could do a deal with an independent that watered down support for the gas industry.

Any move to reimpose a ban on fracking – which was only lifted in 2018 when strict conditions were imposed on the industry – would hit plans by Origin Energy, Santos, Empire and others to try to unlock the potential of huge shale regions in the McArthur and Beetaloo Basins.

[Origin chief executive Frank Calabria said last week](#) the company wanted to resume its Beetaloo drilling campaign either this quarter or next, after suspending operations in the June quarter due to COVID-19.

Empire is targeting mid-September to start drilling its Carpentaria-1 well, with the intention of fracking next year. Santos is looking to resume work in 2021 at its Tanumbirini-1 well nearby which yielded better-than-expected results in tests early this year.

Mr Underwood acknowledged still broad public concerns about fracking and said it was now incumbent on the industry to demonstrate to people it can be done safely under the regulatory settings in place,

"We ... intend to prove to people who are concerned that it can be done safely, and also demonstrate the substantial benefits that can come to an economy that is really struggling at the moment."

A Santos spokesman said that while counting was still continuing, the Northern Territory had overwhelmingly voted to support the jobs and investment the gas industry creates and the livelihoods it supports.



the Northern Territory."

Angela Macdonald-Smith writes on the resources industry with a focus on energy, including gas, oil, electricity and renewables. *Connect with Angela on [Twitter](#). Email Angela at amacdonald-smith@afrc.com*



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