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Australian Government's Climate Change Plan

Santos supports action on climate change and acknowledges the Prime Minister's announcement today of the Australian Government's Climate Change Plan as a significant step.

The introduction of any carbon pricing policy must be well designed, providing permits to trade exposed industries, such as LNG, to maintain Australia's competitiveness.

The Government has recognised this in deciding that the proposed carbon price will apply at a concessional rate of 50% on emissions associated with the production of LNG.

However, even at this level, Australian LNG producers will be disadvantaged against producers from countries which have no carbon pricing policies in place.

Under the policy announced today, Santos would face significant annual costs on LNG production which would not be recoverable from our customers.

Whether used in Australia or exported as LNG, natural gas provides clean, reliable and affordable energy and represents a low cost way of reducing greenhouse gas emissions.

Lower carbon natural gas provides an ideal fuel to support the transition to a lower carbon economy and Santos looks forward to working with the Government on the details of the policy.

Ends.