



# MEDIA RELEASE

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**26 March 2021**

## **The ACCC issues draft determination authorising Vali gas joint marketing**

The ACCC has issued a draft determination which proposes to grant authorisation for Vintage Energy Ltd (ASX: VEN), Metgasco Ltd (ASX: MEL) and Bridgeport (Cooper Basin) Pty Ltd, a wholly owned subsidiary of New Hope Corporation Limited (ASX: NHC) to enter into joint marketing arrangements and is seeking submissions on the draft determination.

Vintage, Metgasco and Bridgeport are joint venture partners at the Vali field, a new gas field in the early stages of development, located in the Queensland Cooper/Eromanga Basin. None of the parties currently produce or sell natural gas.

Authorisation will enable the parties to jointly market gas produced from the Vali field for five years and, within this period, to enter into gas supply agreements with customers on common terms and conditions (including price) and with supply terms of up to 15 years. Without authorisation, these joint marketing arrangements would risk breaching competition laws.

“The ACCC’s preliminary view is that joint marketing is likely to result in public benefit by enabling earlier development of the Vali field to bring this new gas supply to the market sooner,” ACCC Commissioner Stephen Ridgeway said.

“Given the small amount of gas to be jointly marketed, the proposed joint marketing is unlikely to adversely affect competition.”

The ACCC is seeking submissions from interested parties in relation to the draft determination, by 12 April 2021. The draft determination and more information on how to make a submission are available on the ACCC public register at Vintage Energy Ltd – [Vali Gas Joint Venture](#).

### **Background**

Vintage Energy Ltd operates the Authority to Prospect 2021 (ATP 2021) Vali field, and holds 50 per cent interest in the ATP 2021 Joint Venture.

Metgasco Ltd and Bridgeport (Cooper Basin) Pty Ltd, each hold 25 per cent interest in the ATP 2021 Joint Venture.

Under the joint venture agreement between the parties, Bridgeport may reserve 50 per cent of its share of gas for sale to Brickworks Limited.

The amount of gas to be jointly marketed from the Vali field is small compared to the overall size of the east coast gas market. Based on current information, the annual gas production (from the Patchawarra formation) in the Vali field will be equal to approximately 0.5 per cent of the annual domestic gas demand in the east coast market, and less than 0.2 per cent when LNG export demand is included with domestic demand.

On 29 January 2021, the ACCC granted interim authorisation to allow the parties to begin jointly marketing and entering into conditional gas supply agreements with customers for the

sale of gas from the Vali field, and supplying minor quantities of gas from the Vali field to customers for a short period until 31 December 2021.

**Notes to editors**

ACCC authorisation provides statutory protection from court action for conduct that might otherwise raise concerns under the competition provisions of the Competition and Consumer Act 2010.

Broadly, the ACCC may grant an authorisation when it is satisfied that the likely public benefit from the conduct outweighs any likely public detriment.

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