

Media Release

The Hon Sonya Kilkenney MP
Attorney General
Minister for Planning



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MAJOR MILESTONE FOR GAS IMPORT PROJECT

The Allan Labor Government is working to secure gas supply while we get on and build cheaper renewable energy for the future.

Minister for Planning Sonya Kilkenney today released her assessment of the Environmental Effects Statement (EES) for the Viva Energy Gas Terminal Project in Corio, finding that the potential impacts of the project can be managed with strengthened environmental management practices and amended mitigation measures are adopted.

This assessment advances the project towards Viva's commercial decision to move forward, pending further regulatory approvals.

Gas is part of Victoria's energy transition – but legacy supplies from Victoria's Bass Strait are dwindling and prices are going up.

That's why the Allan Labor Government is helping secure gas supply for the south-eastern states where the Australia Energy Market Operator (AEMO) has forecasted a supply shortfall from 2029.

If successful, the Viva Energy Terminal can receive up to 160 petajoules (PJ) of liquefied natural gas (LNG) per annum – approximately 88 per cent of Victoria's 2024 gas consumption.

The project would create up to 200 jobs during construction and around 70 ongoing jobs once completed. The gas import terminal would include storage and a regasification unit, which turns the liquid we import into gas, a pier and a seven-kilometer pipeline to transfer the gas to a connection point at Lara.

This assessment increases competition among potential gas supply projects when they enter the tender process to secure support from AEMO – this will ensure that families and businesses on the east coast have access to a dependable gas supply at the most affordable price.

The Labor Government is working to drive down Victorians' energy bills and secure the gas supply Victoria needs, including:

- Streamlining decision-making for new gas projects under the Development Facilitation Program.
- Passing the *Offshore Petroleum and Greenhouse Gas Storage Amendment Act 2024* in October 2024, allowing gas to be stored offshore in Victorian waters in underground reservoirs.

Media contact: Alex Woods 0422 572 228 | alex.woods@minstaff.vic.gov.au

- Approving production from Beach Energy’s Enterprise field last year – the only application we have received in a decade.
- Legislating in 2018 that producers in Victorian waters must offer their gas to the domestic market on reasonable terms.
- Gradually reducing gas demand by helping Victorians drive down their power bills by making the switch to energy efficient electric appliances.
- Leading on regulatory reforms to maximise storage at the Dandenong LNG facility, giving AEMO the power to buy gas from suppliers to make sure it is full when we need it.
- Developing a renewable gas scheme, proposing the Industrial Renewable Gas Guarantee, a market-based certificate scheme designed to support renewable gas production in Victoria.
- Advocating for new powers for AEMO to address east coast gas supply gaps emerging from 2029, currently being developed by Commonwealth and State Energy Ministers.

More information about the assessment is available at planning.vic.gov.au.

Quote attributable to Minister for Planning Sonya Kilkenny

“We are striking the right balance between development and environmental responsibility through the rigorous and transparent EES process.”

Quotes attributable to Minister for Energy and Resources Lily D’Ambrosio

“Gas is part of our energy transition, but supply is dwindling and prices are going up.”

“That’s why we’re securing gas supply and helping families and businesses that can go electric slash their energy bills, freeing up gas supply for industries that can’t make the switch.”