

Record of oral submission to the Australian Competition and Consumer Commission (ACCC)

AA1000538 Application for authorisation from Vintage Energy Ltd, Metgasco Ltd and Bridgeport (Cooper Basin) Pty Ltd

Submission: Brickworks Limited

Date of submission: 14 January 2021

1. Brickworks Limited (**Brickworks**) is a large user of gas in the east coast gas market. As stated in the application for authorisation AA1000538, Brickworks shares common shareholders with Bridgeport (Cooper Basin) Pty Ltd (**Bridgeport**), and may purchase a portion of Bridgeport's gas from the Vali gas field (once it becomes available).
2. Brickworks supports the application for authorisation from joint venture partners, Vintage Energy Ltd, Metgasco Ltd and Bridgeport, to jointly market and sell gas produced from the Vali gas field. While Brickworks would not normally support joint marketing arrangements under normal circumstances, it considers the risk of anti-competitive harm arising from joint marketing of gas from the Vali gas field to be low, due to the small size of the reserves and the limited share of that held by each of the parties at Vali field. The proposed joint marketing would enable new supply of gas to be brought to market by the parties, who are all new entrants; and would enable them to better compete with incumbent gas producers in the east coast gas market.
3. Brickworks is also supportive of the 5 year authorisation period (including the maximum 15 year term of gas supply agreements that may be entered into during the authorisation period), as sought in the application for authorisation. It considers this period is appropriate in light of the small size of the reserves at the Vali field, and the characteristics of gas production (where gas volume will naturally taper off over time).