

27 March 2026

Committee Secretariat
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Dear Legislative Scrutiny Committee,

RE: Pipelines and Petroleum Legislation Amendment (Industry Development) Bill 2026

Thank you for the opportunity to make a brief submission on the *Pipelines and Petroleum Legislation Amendment (Industry Development) Bill 2026* (the Bill). Australian Energy Producers (AEP) is the peak national body representing Australia's upstream oil and gas exploration and production industry.

AEP supports the passage of this Bill. The Bill amends key Northern Territory petroleum and pipeline legislation to support development of onshore gas resources while modernising the regulatory framework. It expands pipeline laws to allow the transport of additional substances such as hydrogen and carbon dioxide (supporting carbon capture and storage), introduces more flexible and investment-friendly arrangements for petroleum licences, and establishes a contemporary compliance and enforcement regime with stronger powers for regulators. Overall, the reforms are intended to enable infrastructure development, reduce regulatory barriers, and strengthen oversight of pipeline and petroleum activities.

The proposed framework for the division and amalgamation of permits represents a constructive step toward a more flexible regime that supports investment and development. By enabling companies to consolidate and coordinate interest areas, the Bill supports more efficient project planning, capital allocation during the life of a project. This flexibility is likely to direct investment toward the most commercially viable and development-ready resources, accelerating project timelines and supporting timely delivery of oil and gas to market.

Similarly, the ability to transfer petroleum between interest areas introduces an important mechanism to optimise infrastructure utilisation and unlock economies of scale across projects. Given this is a discretionary power of the Minister, it will be important that the associated criteria and administrative processes are clearly defined practical, transparent, and supportive of efficient industry operations.

The option to extend exploration permit terms provides an important signal of regulatory stability. By offering greater certainty around tenure and development rights, it reduces investment risk and strengthens the commercial case for long-term gas development in the Territory. This added certainty is a key enabler for attracting capital and advancing projects that contribute to energy security, regional development, and broader economic growth.

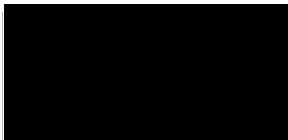
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The expansion of the framework to enable the transport and permanent storage of carbon dioxide is a significant and positive reform. It supports the development of carbon capture, utilisation and storage (CCUS) and positions the Northern Territory to play a leading role in these important emissions reduction technologies. Industry is already progressing plans to invest in CO₂ storage and these reforms provide a pathway to support that investment.

AEP supports the intent of the *Pipelines and Petroleum Legislation Amendment (Industry Development) Bill 2026* and recognises its role in enabling investment, improving operational flexibility, and supporting the continued development of the Northern Territory's energy sector. The reforms provide a strong foundation to facilitate efficient project delivery, enhance regulatory certainty and support CCS development. We encourage the Government to continue working closely with industry to ensure implementation remains practical and effective.

Your sincerely,



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Australian Energy Producers