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Another gas storage well for Port Campbell

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 Strategic: The Iona gas plant near Port Campbell is one of a handful of gas plants located in the area which is close to the South West Pipeline and the SEA Gas pipeline. Picture: Supplied

Port Campbell gas processing and storage plant Iona is set to drill another gas storage well to add to the several it already operates at the site.

The plant, which is owned by the Lochard Energy Company, is bringing in a drilling rig this month to drill the 1300-metre deep storage well. The well will use the underground sands in the area to store gas under pressure.

Some of the gas to be stored underground will come from the local Otway Basin offshore fields near Port Campbell.

Other gas will also be sourced from the nearby gas transmission pipeline network that contains gas from the Gippsland Basin fields and other East Australian gas fields.

The Iona gas plant is in a strategic location near where the South West Pipeline (SWP), which runs from the Iona plant to near Geelong, meets the SEA Gas Pipeline.

The SEA Gas pipeline takes natural gas from Port Campbell and the Iona gas plant to interconnected pipeline systems in South Australia and Victoria.

Port Campbell's location near the South West Pipeline and the SEA Gas Pipeline has also attracted other gas facility operators to the region including the Otway Gas Plant, the Minerva Gas Plant, and a connection to the Mortlake Pipeline.

The new storage well will help Lochard Energy support the growing demands for peak energy in south-eastern Australia. It will help develop the plant gas storage reservoir and increase its gas withdrawal capability.

The well will be similar to other existing wells at the plant that have been operating for more than 16 years.

Lochard Energy said the drilling of the well would take place in June and July.

“The well will use underground sands in the area to store gas under pressure. ”

Lochard Energy

The company said the project was subject to a state government-approved operations plan that covered all aspects of the proposed works including safety and management. The plant also operates under an Environmental Management Plan that is approved by Victorian regulators.

All works would be conducted within the existing Iona gas plant area with no incremental land disturbance and would not involve any fracking, Lochard Energy said.

The new well is also exempt from the state government's moratorium on onshore drilling because it is in an area that is exempt from the moratorium.

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