

City of Sydney Discussion Paper on Electrification of new Development

Gas Energy Australia (GEA) represents Australia's liquid gas supply chains including Liquefied Petroleum Gas (LPG) and associated gases. Our members span production to retailing and everything in between. The LPG industry safely and securely supplies 43PJpa to industrial, commercial, residential, leisure and transport energy consumers nationally, including around 30% of regional households where electricity can be unreliable or unavailable¹.

GEA welcomes the opportunity to comment on the local government, City of Sydney Discussion Paper on Electrification of new Development, Public Consultation.

GEA is pleased to see that residents of the City of Sydney will still be afforded the right to use LPG under policy proposed in the Discussion Paper. LPG plays a vital role supplying energy to many industrial, commercial, residential, transport and recreational energy users in Sydney today. Through the supply of drop-in renewable forms of LPG, energy consumers can continue to receive reliable, affordable energy via LPG while supporting emissions reduction targets².

General Feedback

Excluding LPG maintains consumer choice

Not all gases are the same, and the exclusion of LPG from bans highlights this distinction by preserving access to a sustainable energy option with a clear decarbonisation pathway through renewable forms of LPG. For some consumers, this provides a more affordable route to lower emissions compared to full electrification, supporting both cost-efficiency and climate goals. LPG also remains an important part of today's energy mix, complementing electricity, especially in areas where grid access is limited or unreliable, ensuring households and businesses continue to have flexible, practical energy choices.

¹ DCCEEW, 2024, Australian Energy Update 2024,

https://www.energy.gov.au/publications/australian-energy-update-2024

² Frontier Economics, 2023, *Pathways to Zero Emissions for LPG*, https://www.gasenergyaus.au/get/2016/pathway-zero-emissions-for-lpg-frontier.pdf

Australian Bureau of Statistics, 2014, Environmental Issues: Energy Use and Conservation, https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4602.0.55.001Main+Features1Mar%202014 ?OpenDocument

There is no one size fits all solution to decarbonisation

Customers should have the right to choose from the full range of decarbonisation options, including renewable gases, renewable forms of LPG, and electrification. Supporting this choice requires a significant expansion of Australia's technologyagnostic approach, ensuring the transition is inclusive, flexible, and tailored to diverse household and business needs.

LPG today, renewable forms of LPG tomorrow

Just like electricity and natural gas, LPG also has renewable alternatives. Drop-in BioLPG and Renewable LPG (rLPG) can be used with no changes in LPG supply, infrastructure or appliances. Dimethyl Ether (DME) can be blended into LPG for use with existing appliances and infrastructure or used in its pure form with minor changes to existing LPG or natural gas appliances and infrastructure.

For many, these options will have much lower upfront costs and lower lifecycle decarbonisation cost than electrification. This is especially true in regional Australia where electricity can be unreliable or unavailable, making electrification less practical.

Recommendations:

GEA recommends that the City of Sydney:

- Maintain a policy of enabling customers the right to choose LPG today and renewable forms of LPG tomorrow.
- Promote renewable fuels, including renewable forms of LPG, as viable decarbonisation pathways alongside electrification.

Doing so would support decarbonisation of consumers who can't afford the upfront or lifecycle cost of electrification or who are hesitant to do so. Furthermore there is no need for any of them to change on costs, emissions or safety issues

To discuss any of the above feedback further, please contact me on +61 422 057 856 or via jmccollum@gasenergyaus.au.

Yours sincerely,

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The Role of LPG in Australia's Energy Landscape

Liquefied Petroleum Gas (LPG) plays a vital role in Australia's energy security and net zero transition. As a versatile energy source with drop-in renewable alternatives, LPG provides essential energy services to millions of Australians, particularly in regional and remote areas where it serves approximately 30% of households³. The LPG industry safely and securely supplies 43 petajoules of energy annually across industrial, commercial, and residential applications nationwide⁴. A further 120 petajoules of LPG is exported annually, with the LPG sector as a whole contributing over \$5bn of GDP and 20,500 FTE to the Australian economy⁵.

LPG stands out as a cleaner alternative to many traditional fossil fuels, producing 14% fewer greenhouse gas emissions than diesel⁶. The industry is actively embracing Australia's transition to net zero through the pursuit of renewable forms of LPG⁷. These include bioLPG (a co-product of Sustainable Aviation Fuel) and renewable LPG (rLPG) produced from hydrogen. These alternatives reduce scope 1 emissions by 99% while utilizing existing infrastructure and appliances.

One of LPG's most significant advantages is its superior energy storage capability in cheap, transportable LPG tanks. This is key in regional areas where mains power may be unreliable or unavailable. A standard residential LPG tank installation provides energy storage equivalent to more than 42 Tesla Powerwall 3 home battery systems at around one-tenth the cost⁸. This storage capacity, combined with the portability of LPG tanks, makes it an invaluable resource for energy security and emergency resilience.

The LPG industry is uniquely positioned to support Australia's energy transition without requiring government funding or subsidies. As the nation moves toward net zero emissions, renewable forms of LPG complement renewable electricity, offering a practical decarbonisation pathway for applications where electrification may not be feasible or cost-effective. By recognizing and supporting the development of renewable forms of LPG, Australia can ensure a diverse and resilient energy mix that retains energy security while achieving its climate goals.

 ³ Australian Bureau of Statistics, 2014, *Environmental Issues: Energy Use and Conservation*, https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4602.0.55.001Main+Features1Mar%202014
⁴ Australian Federal Department of Climate Change, Energy, the Environment and Water, 2024, *Australian Energy Update 2024*, https://www.energy.gov.au/publications/australian-energy-

update-2024

 $^{^{\}scriptscriptstyle 5}$ ACIL Allen, 2022, Economic contribution of the Australian gas economy in 2020-21,

https://www.gasenergyaus.au/get/2123/economic-contribution-of-australian-gas-economy.pdf ⁶ Australian Federal Government, 2024, National Greenhouse and Energy Reporting (Measurement) Determination 2008, https://www.legislation.gov.au/F2008L02309/latest/text

⁷ Frontier Economics, 2023, *Pathways to Zero Emissions for LPG*,

https://www.gasenergyaus.au/get/2016/pathway-zero-emissions-for-lpg-frontier.pdf

⁸ Elgas, 2025, *LPG Gas Bottle Sizes*, <u>https://www.elgas.com.au/elgas-knowledge-hub/residential-</u>lpg/lpg-gas-bottle-sizes-gas-bottle-dimension-measurements/