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Draft 2025 Victorian Transmission Plan

Gas Energy Australia (GEA) represents Australia's liquid gas supply chains including Liquefied Petroleum Gas (LPG) and associated gases. Our members span from producers to retailers and everything in between. The LPG industry safely and securely supplies 43PJpa of energy to industrial, commercial and residential consumers nation-wide, including around 30% of all regional Australian households[1].

GEA welcomes the opportunity to provide a submission to the Victorian Governments Draft Victorian Transmission Plan (DVTP) and agrees that there is no realistic pathway to net zero without consideration of renewable fuels such as renewable liquid gas.

GEA is encouraged by the Victorian Government recognising that LPG is different to natural gas. LPG plays a vital role supplying energy to Victorian industrial, commercial, residential, transport and recreational energy users today. Through the supply of drop-in renewable forms of LPG, Victorian energy consumers can continue to receive reliable, secure and affordable LPG supply while supporting emissions reduction targets[2].

General Feedback

Recognition of renewable energy beyond renewable electricity.

There is no one-size-fits-all approach to decarbonisation. A successful transition to net zero must recognise renewable energy sources beyond electricity. While electrification will play a major role, relying solely on it increases exposure to grid constraints, technical vulnerabilities and supply disruptions particularly during extreme weather events.

LPG provides immediate, proven benefits as a dispatchable, transportable fuel that enhances system resilience and energy security, especially in regional and off-grid areas. By reducing dependence on a single energy source, LPG acts as a stabilising complement to the electricity grid, supporting both daily reliability and emergency response.

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[1] DCCEEW, 2024, Australian Energy Update 2024, https://www.energy.gov.au/publications/australian-energy-update-2024
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

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

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Investing in renewable liquid gases allows decarbonisation of existing fuel use without major infrastructure changes.

GEA encourages the Victorian Government to recognise the value of fuel diversity and incorporate gaseous renewable fuels alongside electricity in its energy planning to ensure a more resilient and inclusive net zero transition.

Energy Security

LPG plays a critical role in maintaining energy security, particularly in areas where electricity supply is unreliable or unavailable. It offers a lower-cost alternative to securing electricity infrastructure and ensures continuity of essential services such as heating, cooking, and lighting during outages or network failures. LPG can be rapidly delivered and deployed in emergencies, providing a dependable energy source when the grid is compromised by natural disasters or technical faults. Importantly, LPG can deliver these benefits while supporting decarbonisation through the use of renewable alternatives, making it a reliable and future-focused component of Victoria's energy system.

LPG has the potential to contribute significantly to Victoria's energy landscape, especially in regions where traditional electrification may be impractical or costly. By working together, we can develop policies that support not only emissions reduction but also the energy needs of all Victorians.

Renewable forms of LPG

Just like electricity and natural gas, LPG has renewable alternatives that can support the transition to net zero without requiring major infrastructure changes. Drop-in BioLPG and Renewable LPG (rLPG) can be used with existing LPG supply chains, appliances, and infrastructure, providing an immediate and low-disruption pathway to emissions reduction. Dimethyl Ether (DME) can also be blended with LPG for use in current systems or deployed in pure form with only minor adjustments to existing LPG or natural gas equipment.

The ability to introduce renewable forms of LPG offers clear benefits: strengthening rural energy security while enabling rural and remote communities to participate in decarbonisation efforts. This is consistent with Australia's technology-agnostic approach and ensures that consumers retain choice in how they meet energy needs. Importantly, renewable forms of LPG will also complement the electricity system by providing flexible, dispatchable energy particularly in areas where electrification may be impractical or unreliable. This makes renewable forms of LPG a valuable part of a balanced energy mix.

Thank you for considering our submission. We look forward to continued discussions on this important matter.

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 households. The LPG industry safely and securely supplies 43 petajoules of energy annually across industrial, commercial, and residential applications nationwide.

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

One of LPG's most significant advantages is its superior energy storage capabilities in cheap, transportable LPG bottles and 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 of the cost. This storage capacity, combined with LPG's portability, 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.