

Media Release

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POWER 'BILL'S BOATS' WITH CLEANER AUSTRALIAN FUEL TO BOOST LOCAL JOBS AND FUEL SECURITY

Labor's proposed Australian strategic shipping fleet⁽¹⁾ should be powered by Liquefied Natural Gas (LNG) given it's a cleaner, more reliable Australian sourced fuel compared to mostly imported, dirty diesel and bunker oil - according to Australia's peak body for downstream gaseous fuels, Gas Energy Australia (GEA).

"Mr Shorten, recently announced that it was crucial for Australia to have its own shipping fleet, as it was important for jobs, driving the economy, crucial for our national security and would secure critically important supplies in times of crisis," GEA's CEO Mr John Griffiths said today.

"Around the same time, the Opposition also recognised that Australia has a domestic fuel security problem⁽²⁾.

"Powering any proposed new fleet with cleaner Australian sourced natural gas fuel not only reduces carbon and toxic emissions, but by substituting imported oil, it also helps cut the cost of meeting Australia's fuel reserve obligations," said Mr Griffiths.

LNG as a marine fuel is cleaner and much less harmful than imported diesel and bunker oil with significantly lower emissions - 25% lower carbon dioxide (CO₂), 85% lower nitrous oxide (NO_x), and almost 100% lower sulphur oxide (SO_x) and particulate matter (PM). This is good for the health of all Australians, especially ship crews and dock workers.

"LNG is also Great Barrier Reef friendly because it dissipates on contact with water and we know that the Australian public strongly supports the adoption of cleaner energy sources and lower-emitting technologies to protect our clean air and our natural environment," said Mr Griffiths.

This is consistent with moves in Europe to move to natural gas marine fuels and supports efforts by a number of Australian companies. Since early 2017, Perth based EVOL LNG has been refuelling Woodside's state of the art LNG powered offshore platform supply vessel, Siem Thiima, in Western Australia with truck-to-ship refuelling. On the east coast, the new SeaRoad vessel Mersey II, is expected to start using LNG to fuel its operations between Victoria and Tasmania later this year.

"Not only is Australia already using LNG as a marine fuel but we have six LNG production facilities servicing the domestic market located around the Australian coast. This is why GEA is calling on the Opposition to consider LNG as the preferred fuel for their Strategic Shipping Fleet Policy."

GEA has already welcomed Labor's recognition that Australia has a domestic fuel security problem - but warned that the \$6.5 billion estimated cost of dealing with this issue by increasing oil stocks alone is unaffordable.

By ensuring any proposed strategic fleet, other publicly owned operators such as ferries as well as other transport and off-grid power sources use cleaner Australian fuel, we can reduce reliance on dirtier imported oils from some of the most dangerous places on earth. In doing so, we can also reduce the quantum and bill for our fuel reserves, which are a direct function of oil imports.

"Because these fuels are Australian, it will further encourage local expertise in the development of gaseous fuels technology, create and protect local manufacturing jobs and help keep niche skills here in Australia."

"Powering any proposed new fleet with imported bunker oil would make no sense as it adds to emissions, increases our oil reserve costs and creates overseas rather than Australian jobs."

"This basic and affordable measure is just one of a number of practical ways that GEA proposes to help deliver cleaner, reliable fuel security and local jobs as part of our soon to be released 2019 Federal Election Statement," Mr Griffiths said.

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(1) <http://anthonyalbanese.com.au/media-release-labor-will-revive-australias-shipping-industry-and-create-a-strategic-fleet-sunday-24-february-2019>

(2) <https://www.billshorten.com.au/protecting-australia-s-fuel-security-with-a-national-fuel-reserve-thursday-28-february-2019>