

# Media Release

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## **GAS FUELS CAN DELIVER LONG TERM FUEL SECURITY AND MORE: GEA**

Australia's peak body for downstream gas fuels, Gas Energy Australia (GEA), welcomes the Government's acknowledgement that we need to address Australia's fuel security but noted that it was only a temporary solution to buy oil at the current low prices.

GEA's CEO John Griffiths said Australian-produced gas fuels have a key role to play in securing Australia's longterm fuel security and were a clean, abundant and reliable source of energy making them a critical part of diversifying and strengthening the nation's future fuel security.

"Gas fuels including Australian produced Liquefied Petroleum Gas (LPG), Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) should be cemented as an important player in Australia's fuel mix," Mr Griffiths said.

"They are instrumental in strengthening our fuel security by reducing our reliance on imported oil product whilst supporting and creating Aussie jobs – a win-win all round. Increasing their use in powering our manufacturing, industrial and transport sectors and households can only bring further benefits.

"Right now, LPG is providing energy to more than 2 million households, businesses, hospitals and aged care facilities. Gas power is also a cheaper way to provide reliable energy to the more than 400,000 Australians and thousands of businesses in regional areas not connected to the electricity grid.

"They are also creating local jobs through production and niche manufacturing of tanks and other gas supply equipment, where Australia has often been a world leader.

"GEA's pre-Budget submission underlined the importance of strengthening our liquid fuel security by turning to our home-grown gas fuels. With our abundant supplies of gas fuels, it makes no sense for us to be fully dependent on imported, dirtier and more expensive oilbased fuels particularly for transport energy and off-grid power generation.

"Notwithstanding the Government's to boost our significantly depleted fuel reserves by purchasing oil product, if we increase our use of Australian gas fuels we would naturally become less dependent on foreign nations for our fuel security.

"A case in point is the transport sector where even a small shift to gas from oil-based fuels would lower running costs and boost the resilience of our critical heavy road and marine transport operators.

"We know that if 10 per cent of diesel used in heavy on-road transport was replaced with gas fuels, Australia's diesel imports would be cut by more than 1 million litres a year - reducing CO2 emissions by up to 597,000 tonnes and could improve our balance of payments by around \$1.5 billion per year.

"Our existing distribution networks are another positive, because of their ability to be flexible and respond to changing demand without relying on lengthy construction of expensive new fixed pipelines.

"Gas fuels are building and protecting this nation by maintaining energy supplies for health services, aged care facilities, households, businesses off-grid generation and transport. They can continue to do so for decades to come as an integral part of our energy mix in an increasingly unpredictable future."

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