

Media Release

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GAS FUELS HAVE KEY ROLE IN DELIVERING LONG TERM FUEL SECURITY

Australia's peak body for downstream gas fuels, Gas Energy Australia (GEA), has emphasised the ongoing and complementary role gas fuels can play in ensuring our national fuel security and supporting Australian jobs, without the need for large subsidies.

GEA's CEO John Griffiths said today's fuel security announcement by the Government highlighted how gas fuels such as Liquefied Petroleum Gas (LPG), Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) have a unique role in bolstering Australia's fuel security.

"We need to ensure we aren't simply throwing good taxpayer money at facilities that depend on supplies of imported crude oil," Mr Griffiths said.

"It makes little sense for Australia to continue its dependence on imported, dirtier and expensive oil-based fuels in areas where gas fuels have a natural advantage, such as transport and off-grid power generation.

"Gas fuels can address Australia's declining fuel security by being used more widely, particularly in the heavy vehicle, marine transport and power generation sectors.

"They are clean, reliable, abundant and homegrown which means reduced dependence on international supply chains or vulnerability to oil price spikes."

"And by increasing their usage across a broad range of applications, we will reduce both carbon and harmful toxic emissions now, rather than wait years for the rollout of electric and hydrogen vehicles and infrastructure. Moreover, the cumulative contribution of gas fuels to net zero by 2050 will increase as technology makes renewable gas more available. This will also cut costs by reducing the need for new infrastructure.

"Diversifying our fuel mix by increasing our use of gas fuels will improve Australia's fuel security, environment and economy - a win-win all round.

"Even a small shift away from oil-based fuels towards gas fuels in the heavy transport sector would reduce costs, reduce emissions and boost the resilience of our heavy road and marine transport sectors.

"Ongoing trials of dual fuel technology, which substitutes LPG for diesel by up to 23%, show a reduction in emissions from heavy vehicles by 8 tonnes per truck per year, saving operators around 7% in fuel costs.

"It has also been calculated 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. Our CO2 emissions would also be cut by up to 597,000 tonnes and our balance of payments would be improved by around \$1.5 billion per year."

Mr Griffiths said GEA Board members had concluded a round of meetings with Federal Ministers, Shadow Ministers and key backbenchers earlier this year, where the benefits of gas fuels were discussed along with obstacles holding them back such as high relative taxes on gas fuels.

"We received a good hearing from decisionmakers, who showed particular interest in how gas fuels can support jobs and economic productivity by increasing their use in our transport, shipping, agriculture and manufacturing sectors, as well as Australian households."

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