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## More gas, not less, is the way to reduce emissions

Predictable claims by the Climate Council that Australia and the region should reduce the use of natural gas are out of step with a vast body of authoritative, independent analysis that shows that gas is critical to reducing emissions over the next 20 years.

"The International Energy Agency, the Climate Change Authority and a host of independent experts all agree that the world should be using more gas, not less, in the transition to a low-emissions economy," said APPEA Chief Executive Dr Malcolm Roberts.

"Australians have seen how gas-fired generation underpins energy security. The Australian Energy Market Operator has made this point absolutely clear. Its latest Gas Statement of Opportunities begins with the statement:

*"Gas-powered generation is vital to continued security of electricity supply as the National Electricity Market transitions to lower emissions targets."*

"Until we have large-scale, affordable and accessible storage, intermittent renewable energy must be supported by fast-response, reliable gas-fired generation. Australia should seek to emulate the US in slashing emissions by increasing the use of natural gas for generating electricity.

"Report after report has shown that natural gas has a critical role to play in a low-emissions future as both a replacement for coal and a partner for renewables."

For example:

- Modelling for the Climate Change Authority's August 2016 *Special Review on Australia's Climate Goals And Policies*, found under its preferred policy option that Australia must triple its use of gas in electricity generation by 2030 if we are to achieve our emissions reduction targets.
- The December 2016 Preliminary Report of the Finkel Review stated: *"Gas has the potential to smooth the transition to a lower emissions electricity sector"* and *"The need for greater gas supplies for electricity generation is increasingly urgent."*
- The May 2016 *Final Report of South Australia's Nuclear Fuel Cycle Royal Commission* highlighted the critical role of cleaner-burning natural gas in the low-carbon economy of the future, including as a partner for renewable energy. It found *"Gas-fired generation plays a significant role in providing reliable supply under all future low-carbon scenarios for the electricity sector."*
- The November 2015 *Australian Power Generation Technology Report* provided a thorough, independent assessment of renewable, coal and gas technologies. It found gas-fired generation is cleaner than coal, cheaper than renewables and can adapt quickly to meet changing demand.

Dr Roberts said the US provided a clear example of what was possible.

"Last year, energy-related emissions in the US were at their lowest level since 1991, having fallen about 13 per cent since their peak in 2007.

"The main reason for this dramatic fall is the increased use of natural gas.

"Australia should take this lesson to heart. We should use more gas in the generation sector where its reliability and flexibility makes it the perfect partner for renewables.

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“In relation to price, as the industry has been saying for many years and as the US shows, the only way to reduce gas prices is to increase gas supply and the number of gas suppliers.

“There is no doubt we are facing a tight east coast gas market. But we must solve this by fixing the underlying causes rather than creating new problems.

“Gas has a critical role to play in a low-emissions future as both a replacement for coal and a partner for renewables.

“If the Climate Council were serious about reducing Australia’s emissions, and doing so in a sustainable and cost-effective manner, it would support the expansion of gas-fired power generation.”

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