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Switch to natural gas reducing global emissions

APPEA has welcomed a new <u>International Energy Agency report</u> that finds there are significant emissions reduction and air quality benefits from using less emissions-intensive fuels such as natural gas.

The IEA's report *The Role of Gas in Today's Energy Transitions* examined the role of fuel switching, from coal to natural gas, to reduce greenhouse gas emissions and air pollutants globally.

The report found since 2010, coal-to-gas switching has saved around 500 million tonnes of CO_2 (see chart below) – the equivalent of putting an extra 200 million electric vehicles on the road running on zero-carbon electricity over the same period.

"There can be significant CO₂ and air quality benefits, in specific countries, sectors and timeframes, from using less emissions-intensive fuels," the IEA report said.

APPEA Chief Executive Andrew McConville said the report highlighted the vital contribution natural gas is playing in reducing global emissions, particularly in Asian nations where Australia's LNG is exported.

"Australia's LNG industry often does not receive credit for its important role in reducing global greenhouse gas emissions and helping import nations improve air quality," Mr McConville said.

The report also highlighted a significant opportunity in the global electricity generation sector to reduce emissions by switching from coal-fired power plants to gas-fired power plants, which presented "a potential quick win for emissions reductions."

"There is potential in today's power sector to reduce up to 1.2 gigatonnes of CO_2 emissions by switching from coal to existing gas-fired plants, if relative prices and regulation support this potential," the report said. To put this opportunity in perspective, the potential for emission reductions across the global economy of 1.2 gigatonnes is nearly double Australia's total annual emissions.

Mr McConville said the latest findings showed the significant role Australia's LNG industry is playing in helping reduce global emissions.

"The IEA analysis re-affirms that natural gas from Australia has a critical role to play in decarbonising the global economy," Mr McConville said.

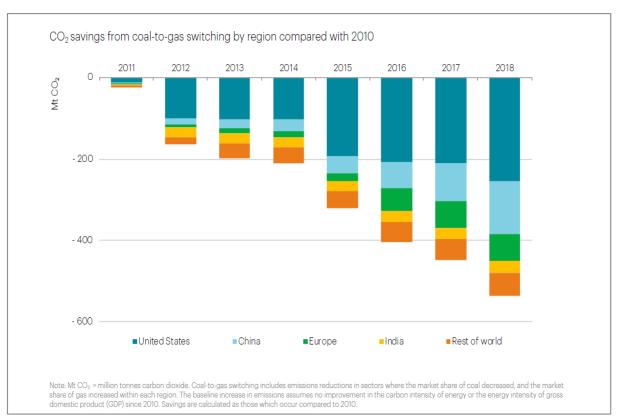
"Australia's LNG industry has invested over \$350 billion over the past decade and is doing its bit in reducing global emissions.

"The oil and gas industry believes climate change is a global problem that requires a global solution."

According to recent Australian government estimates, Australian LNG exports are reducing greenhouse gas emissions by 148 million tonnes in customer nations, equivalent to more than a quarter of Australia's emissions.

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Media Release



Source: International Energy Agency