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JOINT MEDIA RELEASE

International report confirms the role of gas in a cleaner energy future

The International Gas Union's (IGU) <u>Global Gas Report 2020</u> released overnight finds that after a year of strong growth in 2019 and a year of COVID-19 related challenges in 2020, the global gas industry is set to play a vital role in economic recovery and in a cleaner energy future.

The report finds technology and innovation can play key roles as countries, including Australia, look to significantly reduce their greenhouse gas emissions. Technologies such as biomethane, hydrogen and gas with carbon capture and storage can all play a key role in emissions reduction.

APPEA Chief Executive Andrew McConville said: "The report found 2019 was a strong year of growth for the global gas industry, as abundant supply and competitive prices underpinned emissions reduction through fuel switching from more emissions-intensive fuels to natural gas.

"In 2020, the adverse impact of COVID-19 on the gas market has been significant and the industry now faces challenging market conditions. Encouragingly, the report finds that continued abundant supply and cost-competitiveness, aided by a growing push for cleaner air and emissions reduction, can lead to a recovery in demand and see the industry, both globally and in Australia, play a role in economic recovery."

APGA CEO Steve Davies said: "Looking to the future, the report sets out the same global trends we see in Australia. Direct use of natural gas for high-quality heat will continue to grow, gas-fired power generation has great potential to partner with renewable electricity and gas will start to decarbonise through improved operations and blending with biomethane and hydrogen."

Energy Networks Australia Chief Executive Officer Andrew Dillon said the report recognised the significant role hydrogen and renewable gas would play in decarbonising energy and supporting economic recovery post COVID-19. "The report demonstrates that Australia is punching above its weight on hydrogen research and development," Mr Dillon said.

"It recognises, however, that we need the right policy settings to support the continued development of renewable gasses, a position Energy Network Australia supports."

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