



**Natural gas is essential to Australia's energy security, providing reliable and affordable energy to millions of homes and businesses and supporting Australia's transition to net zero by 2050.<sup>1</sup>**



**37%**  
of the energy  
used by Australian  
manufacturing is  
provided by  
natural gas <sup>2</sup>



**5 Million +  
homes**  
connected  
to the gas  
network <sup>3</sup>



**215,000  
people**  
employed in  
the gas industry  
value chain <sup>4</sup>



**\$17  
Billion**  
in taxes and  
royalties paid to  
governments  
in 2023-24 <sup>5</sup>



## Natural Gas - Reliable and Affordable Energy in a Net Zero Future

- Australian natural gas provides:
  - 26% of Australia's total energy needs <sup>2</sup>, delivering reliable and affordable energy to millions of Australian homes and businesses.
  - 18% of Australia's electricity <sup>2</sup>, supporting the transition to renewables by providing reliable back-up power as coal is phased out.
  - 37% of energy used in Australian manufacturing for high-heat applications <sup>2</sup>, and it is an essential ingredient in many products that we rely on in our daily lives.
- The Australian Government's Future Gas Strategy confirmed that Australia needs to invest in new gas supply to ensure our energy security and economic prosperity on the path to net zero by 2050. <sup>8</sup>

<sup>1</sup> Future Gas Strategy, p4

<sup>2</sup> Australian Energy Update 2024

<sup>3</sup> Future Gas Strategy, p14

<sup>4</sup> Economic contribution of the gas industry 2024, KPMG

<sup>5</sup> Australian Energy Producers Financial Survey, 2024.

<sup>8</sup> Future Gas Strategy, p29



## Natural Gas for Electricity Generation

**Natural gas generates about one-fifth of Australia's electricity.**

Gas is playing an increasingly important role as a reliable and flexible source of electricity as the share of renewables in the power system grows and coal is phased out.<sup>9</sup>

Natural gas power plants can be switched on and off quickly when electricity demand is high and conditions are not ideal for renewables.

It provides a critical safety net for our electricity supply to keep the lights on and put downward pressure on energy prices.



## Natural Gas as a Manufacturing Heat Source<sup>10</sup>

Natural gas is used by industry for high-heat applications:

- Steel
- Cement
- Bricks
- Mining and critical minerals
- Plastics
- Glass
- Building products
- Cardboard and paper



## Natural Gas is an Ingredient in Everyday Products

Natural gas is an essential ingredient in making:

- Fertilisers
- Plastics
- Pharmaceuticals
- Hydrogen
- Paints and adhesives
- Synthetic fabrics
- Pesticides & herbicides
- Explosives



## Household Uses of Natural Gas

Natural gas provides around one-third of all energy used in Australian households today. Over 5 million Australian homes use natural gas every day, including for:

- Cooking
- Heating
- Hot Water
- BBQ's



## Australia's Liquefied Natural Gas (LNG) Exports

- Australian LNG exports were worth \$69 billion in 2023-24, accounting for a fifth of the global LNG.<sup>11</sup>
- Australia's LNG industry has invested almost \$500 billion since 2010.<sup>12</sup>
- Our LNG is essential to Asia's energy security and net zero transition, especially in Japan and Korea.<sup>13</sup>

- LNG demand in Asia is forecast to grow significantly to 2050, presenting a major strategic and economic opportunity for Australia.<sup>14</sup>
- Australia has enough gas to meet domestic demand and the growing energy demand on our doorstep.
- LNG investment has helped unlock additional gas supply for the domestic market.

<sup>9</sup> Australian Energy Market Operator, 2024 Integrated System Plan, p6

<sup>10</sup> Australian Energy Update 2024

<sup>11</sup> Resources and Energy Quarterly, December 2024, DISR

<sup>12</sup> Economic contribution of the gas industry 2024, KPMG

<sup>13</sup> Future Gas Strategy, p48

<sup>14</sup> Southeast Asia Energy Outlook 2022, International Energy Agency