

VICTORIAN GOVERNMENT RECOGNITION OF GAS' KEY ROLE IN ENERGY TRANSITION WELCOMED

Reports highlighting the Victorian government's acknowledgement of the critical role for gas in our energy transition is welcomed by leading advocate for commercial and industrial (C&I) consumers, the Energy Users' Association of Australia (EUAA).

"We welcome the comments made by the Victorian government, acknowledging the critical role of gas in our community, both in terms of electricity generation and for use in industry," said EUAA Chief Executive Officer, Mr Andrew Richards.

EUAA members are some of the biggest consumers of gas in Australia. Many require it as a source of heat in the production of essential goods used by the community every day such as bricks, steel, food, paper and packaging. And while there are some promising potential alternatives being researched, there is not easy switch or commercially viable replacement for gas available today.

"Large C&I businesses take seriously their important role in reducing emissions. They are pouring money into research of alternative processes and potential fuels, investing in energy efficiency and new ways of operating their facilities, as well as in renewable energy projects. But, the reality is that gas is an essential fuel or feedstock in their processes and is likely to be a critical fuel for their businesses for some time to come," added Mr Richards.

Increased offshore gas storage would add to the existing Iona storage facility and create a bigger backup in Victoria when gas consumption is high and other electricity generation plant, such as wind and sun, are unable to meet Victoria's needs. The critical need for gas in electricity generation was highlighted in June when the Australian Energy Market Operator warned large energy users that they may need to give up their gas in order to meet Victoria's electricity supply due to a lack of wind and sun in the state.

"As we continue on our energy transition, pragmatic and realistic responses to ensure we meet consumers' needs will be critical as well as ensuring that energy remains reliable and affordable for all."

The EUAA is the peak body representing Australian industrial and commercial energy users. EUAA membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries. Combined EUAA members employ over one million Australians, pay annual energy bills in the many billions of dollars and support the development of a lasting national energy and climate change plan that puts downward pressure on electricity and gas costs.

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