Submission Cover Sheet

Inquiry into Renewable Energy Innovation in the Australian Capital Territory

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The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia’s pipeline infrastructure, with a focus on high-pressure gas transmission. APGA’s members build, own and operate the gas transmission infrastructure connecting the disparate gas supply basins and demand centres of Australia, offering a wide range of services to gas producers, retailers and users.

APGA welcomes the opportunity to contribute to the Inquiry into Renewable Energy Innovation in the ACT.

APGA encourages the ACT Government consider the decarbonisation potential of renewable gases and recommends the ACT reconsider its plans to phase out gas connections. The plan to phase out gas connections forecloses on the opportunity of utilising renewable gases such as green hydrogen and biomethane to decarbonise gas demand.

As set out in Gas Vision 2050, APGA sees renewable gases such as hydrogen and biomethane playing a critical role in decarbonising the gas industry both in the ACT and nationally. APGA is the largest industry contributor to the Future Fuels CRC, which has almost 80 research projects dedicated to leveraging the value of Australia’s gas infrastructure to deliver decarbonised energy.

Importantly, APGA would like to highlight research undertaken by Frontier Economics identifying that gas use decarbonisation through 100% renewable hydrogen replacement costs less than electrifying gas demand. In addition to cost, the security and flexibility of continuing to have two energy sources, electricity and gas, means there are is greater value in decarbonising gas.

As Canberra approaches winter, it is worth noting the significant seasonal variation in ACT energy demand which is absorbed by the flexibility of gas infrastructure. This can be seen in the chart on the following page, which displays gas demand via one of the ACT’s two gas supply pipelines. This data shows that inter-seasonal energy demand swings of at least 6 to 9 GWh per day are currently absorbed via the gas infrastructure supplying the state.
These seasonal variations in energy demand are challenging to absorb through variable renewable electricity technologies alone. But these seasonal demand variations can be absorbed via renewable gas delivered to ACT residents and businesses via existing gas infrastructure.

APGA were unable to access data displaying ACT seasonal electricity demand for comparison with gas demand, but welcome this data being made available.

By considering electricity alone as the only viable pathway to energy decarbonisation, the ACT prevents its citizens from accessing lower cost renewable energy alternatives. Instead, the narrow consideration of electricity reduces security, reliability and affordability.

Through this Inquiry into renewable energy innovation, APGA hopes that the ACT government will take the opportunity to consider trials of renewable gas injection into its exiting gas infrastructure. This key renewable energy development step is being taken across six of Australia’s eight jurisdictions so far.

The ACT is already on the front foot with renewable gas for transport thanks to the recently opened Canberra hydrogen refuelling station – AGPA hopes the ACT will now turn its attention to developing renewable gas resources in order to decarbonise gas demand.

To discuss any of the above feedback further, please contact APGA’s National Policy Manager, Jordan McCollum, on [contact information removed].

Yours Sincerely,

JORDAN MCCOLLUM
National Policy Manager