

Gas infrastructure advice submission – 89

Date submitted: Aug 16, 2021, 3:42 PM

Name: [REDACTED]

Stakeholder group/interest: Victorian resident

Q1. Do you have any further information, evidence, or concerns that you wish to raise in relation to the scenario design and analysis?

The future scenario for natural gas in Victoria is very clear - there is no longer a significant role for natural gas in our society or economy.

Natural gas will be replaced by electrification and the gas pipeline infrastructure will be made redundant.

Victoria's reliance on natural gas since 1969 was based on close proximity to Bass Strait - these gas reserves have now been exhausted and alternative energy sources must be identified.

Climate change risks will also reduce the need for natural gas in Victoria due to decarbonisation policies from the Victorian Government.

See recent IPCC Climate report: <https://www.un.org/press/en/2021/sgsm20847.doc.htm>

"... Countries should also end all new fossil fuel exploration and production, and shift fossil-fuel subsidies into renewable energy. By 2030, solar and wind capacity should quadruple and renewable energy investments should triple to maintain a net-zero trajectory by mid-century."

Q2. Do you have any further information or evidence that can help identify an optimum scenario for a net zero emissions gas sector in 2050?

No - there are no optimum scenarios for a net zero emissions gas sector in 2050 in Victoria.

Any efforts to prolong the extraction and supply of natural gas in Victoria will fail.

The gas industry would like to continue financial investments in gas pipelines and infrastructure in Victoria but this will lead to stranded assets of declining value.

The 'blending' of hydrogen with natural gas is simply 'flogging a dead horse' to continue the gas industry in Victoria rather than facing the inevitable that natural gas usage in Victoria has peaked.

Q3. What policies and/or regulations, if any, are needed to support the development of low carbon pathways such as biogas, green hydrogen, and carbon capture and storage?

None - "low carbon pathways" such as biogas and carbon capture and storage will not decarbonise the Victorian economy.

The gas industry would like government and institutional funding of these "low carbon pathways" to prolong their activities to the detriment of our environment and society.

"Green hydrogen" produced only from solar or wind renewable energy has the potential to fuel heating in homes if production costs can be lowered.

Carbon capture and storage (and utilisation) is not a low carbon pathway if carbon emissions are simply stored below the seafloor of Bass Strait. Carbon capture and storage processes could actually benefit the oil and gas industry by pumping carbon into old oil/gas reserves and allow remnant fossil fuels to be extracted.

www.desmog.com/2021/08/12/co2-storage-plans-risk-future-generations-carbon-climate-expert/

<https://www.iea.org/commentaries/can-co2-eor-really-provide-carbon-negative-oil>

<https://www.theguardian.com/environment/2021/may/06/hydrogen-fuel-risks-reliance-on-fossil-fuels>

<https://www.edie.net/news/8/Blue-hydrogen-could-produce-more-emissions-than-burning-natural-gas--academic-study-finds/>

Q4. What is your view on the best ways to maintain the reliability and affordability of Victoria's gas supply if natural gas use declines?

There is no need to maintain Victoria's gas supply network if natural gas reserves in Bass Strait are declining. Lower gas supplies will lead to higher gas prices which will compete with lower cost renewable energy sources.

Any industries and commercial businesses that require natural gas will need to restructure their operations and identify alternative energy sources.

Residential homes and other buildings requiring space heating will need to invest in electric heat pump/air conditioning equipment that will be powered by renewable energy rather than pay higher gas prices for gas heating (e.g. ducted gas heaters).

Investments must be made by the Victorian Government to encourage the phase-out of natural gas and the take-up of newer and more efficient electric alternatives.

Q5. What else can you tell us about the implications of decarbonisation pathways for the electricity generation, transmission and distribution networks?

Investments will need to be made for the phase-out of natural gas as an energy source in Victoria and the increase in electrification of our energy networks.

Increasing solar farm and building panel installations, new electric vehicle (EV) sales and battery storage systems will all contribute to a greater need for electricity in Victoria in the future.

Decarbonisation of Victoria's coal and gas powered generators will lead to decentralisation of the electricity transmission and distribution networks.

Home and business battery storage systems should be encouraged in conjunction with EV sales to allow residents and business owners more control over their energy needs and reduce demand on future energy networks.

Electric vehicles should be purchased by the Victorian Government (and Federal Government) to increase take-up and create a second-hand market for EVs.

Incentives should be introduced to purchase electric vehicles as they reduce fossil fuel demand and reduce air pollution leading to healthier communities and workplaces.

Q6. How can the use of Victoria's existing gas infrastructure be optimised during the transition to net zero emissions, over the short (10 years), medium (20 years) and long-term (30+ years)? How can the Victorian Government assist in this?

The Victorian Government can assist residents, business owners and industry to achieve net zero emissions by phasing out natural gas usage, ceasing new natural gas connections to new housing estates and restricting investment in existing and new gas infrastructure.

The gas industry must evolve and decarbonise in line with Victorian Government policies, community expectations and environmental requirements.

The Victorian Government must not fund the gas industry to continue 'business as usual'.

Investments must be made in alternative energy sources - not subsidising the current gas network for the next thirty years.

As with the decommissioning of oil rigs in Bass Strait, gas companies must invest in the decarbonisation of their industry and plan the decommissioning of their gas networks in the long term.

Liquefied natural gas (LNG) imports should not be permitted in Victoria as this will simply introduce more gas into the gas network at a higher cost as well as potential adverse environmental impacts on marine ecosystems.

www.desmog.com/2021/08/13/lng-projects-canada-net-zero-expansion/

Q7. What principles should apply or what measures will be needed to manage the impacts of gas decarbonisation on households and businesses?

The Victorian Government should be honest and upfront with the people of Victoria about the diminishing reserves of oil and gas in Bass Strait and the need to phase-out the reliance for natural gas in our State. A comprehensive public information campaign is required.

By promoting clean, green energy alternatives and investing in the renewable energy sector, the Victorian Government can reduce the financial and societal impacts on households and businesses.

Incentives should be made to improve energy efficient homes and businesses to reduce the demand for natural gas.

The Victorian public should be given sufficient notice that the days of affordable and plentiful natural gas from Bass Strait are over.

Q8. What policies, programs and/or regulations should the Victorian Government consider or expand to encourage households, commercial buildings and small businesses to reduce their gas use?

Landlords should have incentives to upgrade gas heaters to more efficient and safer electric air conditioners and the installation of new solar panels and battery storage systems.

Energy efficiency is the key to reducing demand for natural gas in Victoria - especially regarding space heating. Investments and incentives are needed to encourage the upgrade of houses and commercial buildings with energy efficient measures and appliances.

A new energy efficiency industry would create new jobs and reduce demand for natural gas in Victoria.

Q9. What policies, regulations or other support, if any, do you think are needed to support industrial users to switch from natural gas to lower emissions energy sources or chemical feedstocks?

Due to the export of natural gas to Asia as LNG since 2014, the price of natural gas in Australia has risen.

This has impacted financially on industrial users of gas leading to the threat of job losses in Australia.

The Victorian Government could support large users of natural gas to transform their businesses towards alternative energy sources.

<https://arena.gov.au/assets/2017/05/ITP-RE-options-for-industrial-gas-users-Summary.pdf>

<https://www.sciencedirect.com/science/article/pii/S095965261930349X>

https://consult.industry.gov.au/national-hydrogen-strategy-taskforce/national-hydrogen-strategy-issues-papers/supporting_documents/NationalHydrogenStrategyIssue9HydrogenforIndustrialUsers.pdf

How would you like your submission treated?

Published, but my name removed