



Media Release

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Expensive interconnectors and renewables not the only answer for energy security

Australia's peak body for the downstream gaseous fuels industry, Gas Energy Australia, urged the COAG Energy Council to look to cleaner affordable gas and distributed energy options for energy security and not be blinkered by the false dichotomy between costly new interconnectors and more renewables.

"We share the view of a growing number of expert voices that over reliance on both renewables and expensive interconnectors is making us more vulnerable and not less vulnerable to disruption" Gas Energy Australia CEO John Griffiths said today.

"There are other options, as we have said in our submission to the Tasmanian Energy Security Taskforce where Tasmania's reliance on both hydro-electricity and the Basslink interconnector failed them. And clearly the case remains in South Australia that the existence of interconnectors and heavy reliance on renewables guarantees neither reliable nor affordable energy."

We welcome recognition by the Federal Government that gas is the only energy source that currently can deliver large quantities of reliable affordable energy while also significantly reducing emissions."

However, Mr Griffiths said it is not a matter of renewables OR fossil fuels. "It's about ensuring the best lower emitting and lower polluting technology for the job is used. And traditional network based solutions aren't the only answer."

"Distributed energy resources such as roof top solar water heaters and photo-voltaic panels, off-grid diesel and gas electricity generators and gas used in homes or businesses to heat water, cook or provide warmth must be part of the solution.

"In contrast to centralised electricity generating facilities such as coal and gas fired power stations, hydro-electric dams and large-scale wind farms, all of which typically require electricity to be transmitted over long distances, distributed energy is decentralised, modular and located close to the energy need it meets. As a result, it is less prone to external risks such as fire, wind, lightning and traffic and is well suited to regional areas on the fringe of the electricity grid."

Mr Griffiths said gas delivered by pipeline or by road or rail as liquefied petroleum gas, liquefied natural gas or compressed natural gas provides the majority of distributed energy used by Australian households and businesses. Gas fuelled distributed energy, which is well suited to being combined with renewable technologies, is not only resilient but is significantly cleaner than coal fired generation and more cost effective than expensive interconnectors.

"Distributed energy models and the technology behind it should be a technology and innovation niche for a gas rich, regionally diverse, sparsely populated and natural disaster prone nation like Australia - rather than models designed for larger more densely populated regions in Europe and America.

“In the understandable need to improve energy security, there is a risk of racing to gold plated networks and expensive, under-utilised interconnectors that ultimately rely on old coal fired power stations, when there are other more cost effective and reliable low emission options,” Mr Griffiths said.

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