



1 November 2021

Submission: Consultation for the Corporate Emissions Reduction Transparency report

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 Clean Energy Regulator (**CER**) Consultation for the Corporate Emissions Reduction Transparency (**CERT**) report (the **Consultation**).

APGA encourages the CER to consider the full spectrum of renewable and decarbonised energy options in the development of the CERT, including the use of renewable and decarbonised gases.

As set out in Gas Vision 2050¹, APGA sees renewable gases such as hydrogen and biomethane playing a critical role in decarbonising gas use for both wholesale and retail customers. APGA is the largest industry contributor to the Future Fuels CRC², which has over 80 research projects dedicated to leveraging the value of Australia's gas infrastructure to deliver decarbonised energy.

As per Section 1.2 *Purpose of the CERT* in the Consultation paper, the purpose of the CERT is to provide a framework to:

- Help companies present progress towards their emissions reduction and renewable electricity consumption commitments in a consistent and clear way;
- Support company claims about reducing emissions, using renewable electricity and surrendering eligible units; and
- Support voluntary participation in Australia's carbon markets.

APGA recommend that the CER adopt a technology agnostic approach to emissions reduction throughout its design and implementation of the CERT, beginning with the replacement of references to *renewable electricity* in the CERT purpose with references to *renewable energy*.

¹ Gas Vision 2050, APGA

https://www.apga.org.au/sites/default/files/uploaded-content/website-content/gasinnovation_04.pdf

² Future Fuels CRC Website

<https://www.futurefuelscrc.com/>

While the Consultation paper specifically identifies renewable electricity, APGA note that other forms of renewable energy, including renewable gases, can also facilitate emission reduction. To this point, APGA notes the following ongoing changes impacting the future of gas supply:

- Customers can purchase decarbonised gas today through offset regimes such as those provided by Origin Energy³ and AGL⁴;
- The combined DISER, AEMC and AEMO consultations on extending gas market regulation to include hydrogen and other renewable gases⁵;
- Recent state-based strategies and analysis of renewable gas use including the NSW Hydrogen Strategy⁶ and Victorian Gas Substitution Roadmap⁷;
- Some Adelaide residents are already using renewable gases through a pilot project developed by AGIG⁸, with more to come across coming months^{9,10} and years¹¹;
- The further development of a renewable gas industry in Australia is expected to make large-scale retail purchase of renewable gases a reality in the years to come; and
- Decarbonisation of gas infrastructure is likely to be achievable at half the cost of electrification based on research conducted by the gas industry¹².

Ensuring that the CERT is able to consider the use of renewable and decarbonised gases will help facilitate the growth of this new renewable energy industry. By recognising the emissions reduction outcomes achieved by customers who purchase renewable gases in the CERT, these customers can be incentivised through recognition of their carbon neutral choices.

For more information on the future of renewable gases, please take the opportunity to read Gas Vision 2050 and visit the Future Fuels CRC website¹³.

³ Green Gas, Origin Energy

<https://www.originenergy.com.au/electricity-gas/green/>

⁴ Carbon Neutral Energy, AGL

<https://www.agl.com.au/residential/carbon-neutral>

⁵ Extending the national gas regulatory framework to hydrogen blends and renewable gases, DISER

<https://www.energy.gov.au/government-priorities/energy-ministers/priorities/gas/gas-regulatory-framework-hydrogen-renewable-gases>

⁶ NSW Hydrogen Strategy

https://www.energy.nsw.gov.au/sites/default/files/2021-10/GOVP1334_DPIE_NSW_Hydrogen_strategy_FA3%5B2%5D_0.pdf

⁷ Victorian Gas Substitution Roadmap, Victorian Government DELWP

[Help Us Build Victoria's Gas Substitution Roadmap | Engage Victoria](https://www.vic.gov.au/help-us-build-victoria-s-gas-substitution-roadmap-engage-victoria)

⁸ Hydrogen Park South Australia, AGIG

<https://www.agig.com.au/hydrogen-park-south-australia>

⁹ Western Sydney Green Gas Project, Jemena

<https://jemena.com.au/about/innovation/power-to-gas-trial>

¹⁰ Malabar Biomethane Project, Jemena

<https://jemena.com.au/about/innovation/malabar-biomethane-project>

¹¹ ARENA Hydrogen Announcement

<https://arena.gov.au/news/over-100-million-to-build-australias-first-large-scale-hydrogen-plants/>

¹² Gas Vision 2050, APGA

https://www.apga.org.au/sites/default/files/uploaded-content/website-content/gasinnovation_04.pdf

¹³ Future Fuels CRC Website

<https://www.futurefuelscrc.com/>

To discuss any of the above feedback further, please contact me on +61 422 057 856 or jmccollum@apga.org.au.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'JM', is positioned below the closing text.

JORDAN MCCOLLUM
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Australian Pipelines and Gas Association