



MEDIA RELEASE

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APGA welcomes certainty of Safeguard Mechanism, but questions remain over costs

The Australian Pipelines and Gas Association (APGA) welcomes the certainty of the reformed Safeguard Mechanism which will help Australia reach its emission reduction targets faster, but questions remain over whether the new restrictions on gas supply will increase costs for households and businesses.

Today, Climate Change and Energy Minister Chris Bowen confirmed the Federal Government had reached a deal with the Australian Greens on the Safeguard Mechanism, which is forecast to deliver approximately 205MT of carbon abatement by 2030.

APGA chief executive Steve Davies reaffirmed the domestic gas infrastructure sector's commitment to net zero as well as support for the certainty of the Safeguard but raised concerns over whether the deal would further restrict much-needed gas supply and increase the cost-of-living of all Australians.

"Just last week, AEMO warned about gas shortages and the vital role gas plays in reducing emissions and ensuring electricity reliability. The market operator also noted the need for more investment in gas as Australia transitions to net zero," Mr Davies said.

"The APGA is committed to reducing emissions rapidly and economically. While we welcome the certainty of the Safeguard Mechanism, there are questions over whether the flow-on effects of any additional restrictions on gas supply will be borne by Australian households and businesses who are already facing major increases to energy bills due to the transition."

"The gas infrastructure industry is delivering major works as part of its commitment to net zero, including upgrades to pipelines and networks to help eliminate fugitive emissions, preparations for the next generation of carbon neutral renewable gases such as hydrogen and biomethane and pilot projects that are seeing thousands of Australian homes already using renewable gas."

APGA is at the forefront of the domestic renewable gas industry, including hydrogen and biomethane, and is committed to Australia's emissions reduction target of 43 per cent by 2030 and net zero by 2050.

To learn more about renewable gases and how the APGA and the broader gas infrastructure industry are helping to deliver the least-cost pathway to net zero, [click here](#).

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About

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors, and service providers of Australia's pipeline infrastructure, connecting natural and renewable gas production to demand centres in cities and other locations across Australia. Our members offer a wide range of services to gas users, retailers and producers and ensure the safe and reliable delivery of 28 per cent of the end-use energy consumed in Australia.

Contact

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