

Media release

Embracing Gas Critical to Tasmania's Economy and Net Zero Carbon Future

Launceston, 1 FEBRUARY, 2022. Including Gas in Tasmania's future energy mix will be critical in enabling the State to achieve a Net Zero Carbon energy mix while ensuring a reliable functioning of its economy and one that creates more jobs, cleaner energy and greater economic prosperity, according to a submission released today by Tas Gas the owner and operator of one of Australia's most modern distribution pipelines and the leading gas retailer on the island.

The company's submission is in response to the State Government of Tasmania's *Future Gas Strategy Discussion Paper* that was released in November 2021 and outlines the importance of acting now to ensure the State capture the advantages of transitioning to a Net Zero Carbon gas network.

Discussing the company's submission, Phaedra Deckart, CEO of Tas Gas said that gas in Tasmania was today a silent partner in the State's energy system, yet it underpinned the reliability of energy supply enjoyed by 14,000 households, 1,000 small to medium businesses and close to 70 large customers all of whom produce products valuable to local, national or international markets.

"It is important when planning for both Tasmania's future energy supply and its decarbonisation to recognise that whether it is natural gas, hydrogen, or bio-gas, for many businesses there is no alternative currently on the market other than 'Gas' to provide their heating needs," Ms Deckart said.

The submissions shows that currently gas is estimated to directly support approximately \$1 billion in economic output and 4,000 direct jobs in Tasmania across businesses including bakeries, hospitals, smelters, dairies, and restaurants.

Ms Deckart said that energy reliability and affordability for residential and businesses were important factors in ensuring that there is a mix of gas types in Tasmania's future gas strategy, as well as the State's overall energy and carbon policy.

"The maturity of technologies and the time taken to ramp up to commercial scale volumes will mean that achieving Net Zero Carbon in Tasmania will require a mix of gases if we are to make that transition quickly and at the least cost for consumers. We owe it to those who rely on gas as an energy supply to manage the transition expertly and efficiently, said Ms Deckart.

Tasmania is fortunate that it has an extensive and modern gas distribution pipeline with the local engineering and technical expertise to enable low or zero carbon gases to be appropriately manufactured, transported, and used.

“The skills in Tasmania that have been developed and matured over decades of reliable gas operations in the State need to be retained and invested in to allow a safe and efficient operation of the existing gas pipeline network and to enable it to play an important role in our energy future” said Ms Deckart.

The submission from Tas Gas explains the urgency in action required to begin the transition to a Net Zero Carbon gas network and the requirement for the Tasmanian Government to ensure that a planned approach is applied across industry and government to allow the State to capture the advantages of being an early mover.

Ms Deckart said that Government support is essential in ensuring that the right policies, financial support, and expertise is in place to enable a smooth transition and avoid the energy security challenges being experienced by other countries and economies today.

“Tasmania has a unique opportunity to be a global leader in successfully integrating Gas into its Net Zero Carbon model. A model that could then be replicated across the nation. If we get this right, Gas in all its forms will mean more jobs, cleaner energy, and greater economic prosperity for Tasmania,” she said.

The full submission is available at <https://www.tasgas.com.au/blog/tasmanian-future-gas-strategy>

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About Tas Gas

Tas Gas is owned by funds managed by the Australian company Infrastructure Capital Group including Energy Infrastructure Trust, one of Australia’s largest dedicated portfolios of energy assets. Tas Gas Networks comprises an 837km network of gas pipelines across Tasmania and is one of the most modern gas distribution networks in Australia. Tas Gas is also the largest gas retailer in Tasmania, supplying gas to more than 15,000 industrial, commercial and residential customers.