

1 May 2023

ATTENTION: Brian Massey / Jinny Pavanello  
Department for Energy and Mining  
Energy and Technical Regulation Division  
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**GEA RESPONSE: South Australia - Proposed Amendments to Electricity (General) Regulations 2012 and Gas Regulations 2012**

Dear Brian Massey and Jinny Pavanello,

Gas Energy Australia (GEA) appreciates the opportunity to respond to the South Australian - Proposed Amendments to Electricity (General) Regulations 2012 and Gas Regulations 2012 as outlined in the Consultation Paper issued on 18 April 2023 (Consultation Paper)

GEA supports the alignment of Schedule 2, part 2 of the regulation with the Australian Standard, AS 4670 Commercial Propane and Commercial Butane for Heating Purposes.

GEA notes the statement in the Consultation Paper that the historical provision in schedule 2 part 3 has the potential to mislead industry into thinking that they would apply to renewable gases. GEA suggests that this provision offered opportunity in a regulation with a performance-based approach to allow innovation and development of renewable gases.

Renewable gases will be a cornerstone for our industry out to 2050 and beyond, so it is vital that the removal of Schedule 2 part 3 does not stifle renewable gas in South Australia.

It is worth noting that South Australia will begin the transition to 100% renewable and net zero emission renewable LPG (rLPG) in 2025, with three Australian Sustainable Aviation Fuel (SAF) plants generating 100% rLPG as a by-product. Their initial production runs will replace 11% of current LPG demand overnight.

From the 2030s, the LPG sector will also undertake the development of synthetic gas options, most notable the Power-to-Liquids process, producing green hydrogen using renewable power, then synthesising the H<sub>2</sub> with carbon dioxide to produce liquid hydrocarbons, including rLPG. Sourced from renewable electrolysis (H<sub>2</sub> from H<sub>2</sub>O) and CO<sub>2</sub> capture.

Renewable LPG is a simple 'drop in' replacement. That means no extra costs to taxpayers, homeowners, businesses or community groups using LPG. Existing cylinders, pipes and appliances require no changes. The gas will simply be substituted.

These are important developments for the 134,500 South Australian households that rely on LPG for in-home cooking, heating and/or hot water, with the full transition to see all conventional LPG-use replaced with rLPG by 2045.

These advances negate the exorbitant costs of switching to increasingly unreliable, expensive and less effective electrical appliances. With the Australian Energy Market Operator highlighting the prospect of looming electricity shortfalls and potential major blackouts, rLPG is an important

complement to government policy, providing zero-emitting energy that relieves pressure on the electricity grid, saves on switching costs and is 100% reliable.

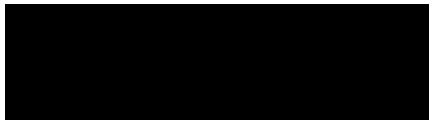
LPG will be net zero over the same timeframe as electricity, but go further to deliver actual zero emissions as sectors we rely on, like trucking, get their emissions under control.


The closed-loop processes involved in taking CO<sub>2</sub> from the atmosphere, either through biowastes or via synthetic gas replacements, to make rLPG means there is no need to find or buy carbon offsets.

Internationally there is a move for a broader definition of fuel gases, with a United Nations sub-committee of experts on the Transport of Dangerous Goods actively discussing present and future products in the Liquefied Petroleum Gas industry – including proposed amendments to UN classifications to accommodate renewably-sourced gases.<sup>1</sup>

GEA recommends that the Department for Energy and Mining consider reviewing the existing Gas Regulation 2012 to allow for the inclusion of a broader definition of Liquefied Petroleum Gas to account for renewable gases and not stifle renewable gas uptake in South Australia due to a legacy definition.

Kind regards,



  
Chief Executive Officer  
Gas Energy Australia

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<sup>1</sup> <https://unece.org/transport/documents/2022/09/working-documents/present-and-future-products-liquefied-petroleum-gas>