



Australian Pipeline Industry Association Ltd

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NATURAL GAS HAS MAJOR ROLE AS AUSTRALIA MOVES

TOWARDS CARBON TRADING SCHEME

Australia's gas transmission industry welcomes the decision by the Federal Government to introduce a carbon trading system, however the industry calls on the Government to provide encouragement for the use of natural gas in a carbon-constrained energy environment.

"Natural gas is the obvious transition fuel and could be considered in the longer term for base-load power generation," Chief Executive of the Australian Pipeline Industry Association, Cheryl Cartwright, said today.

APIA is the national peak body representing Australia's onshore gas transmission industry.

"Natural gas has lower greenhouse gas emissions and uses less water in energy generation than does coal, it is less expensive than renewable energy and it's available now," Ms Cartwright said.

Natural gas-fired power generation uses between 20 and 40 per cent of the water used for coal-fired power generation.

When comparing costs, power generation by renewable energy is up to double the cost of power generation by natural gas, and the cost of power generation using clean coal (geo-sequestration) technology is more than double the cost of natural gas-fired power.

"Given the public's concerns about nuclear power generation, it would seem appropriate to renew the focus on natural gas powered generation," Ms Cartwright said.

"It's also less expensive than the nuclear power generation option."

Ms Cartwright said that, while technology is still being developed in order to make renewable power generation more financially attractive and more accessible, natural gas can be introduced almost immediately.

"With appropriate research and development, natural gas could also be considered in the longer term for Australia's power generation needs," she said.

"Even without future scientific developments, natural gas is already an excellent option."

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