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EXPANDED RENEWABLE ENERGY TARGET A MISSED OPPORTUNITY

Australia's natural gas industry has called on the Federal Government and the Opposition to increase their focus on natural gas in deliberations on the Renewable Energy Target (RET) legislation.

The Australian Petroleum Production & Exploration Association (APPEA) and the Australian Pipeline Industry Association (APIA) called on the nation's leaders to recognise natural gas as a low emissions fuel source and a complement to renewable energy sources.

"While the proposal to include, in an appropriately limited way, coal mine waste gas provides some certainly to that industry, a broader recognition of the role of natural gas would enhance the effectiveness of the RET," said APPEA Chief Executive, Ms Belinda Robinson.

APIA Chief Executive Cheryl Cartwright said renegotiation of the RET legislation was an opportunity to acknowledge the benefits of natural gas.

"The RET legislation is an opportunity for the Government and Opposition to demonstrate a commitment to the natural gas industry by including encouragement for gas-fired power generation as a back-up fuel for intermittent energy from renewable sources," Ms Cartwright said.

Natural gas produces 50 to 70 per cent fewer emissions than does coal when used in power generation and provides a perfect complement to renewable energy sources. The RET as it stands will, however, slow the potential future growth of natural gas-fired power generation by mandating a share of the market for specific, and more expensive, sources of power generation.

Ms Robinson said that one of the common criticisms of existing renewable energy is that it cannot provide base load electricity and therefore requires support from gas-fired generators.

"It would be a sensible move by the Government to provide policy and/or financial support for natural gas power generation as the obvious back-up fuel for energy generated by renewable sources," Ms Robinson said.

Ms Cartwright added: "Natural gas will play an important role in Australia's future energy generation; it should not be ignored in the political negotiations over the Renewable Energy Target."

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