Energy Networks Australia

MEDIA RELEASE

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HALVING THE COST TO NET-ZERO EMISSIONS WITH HYDROGEN

The latest update to <u>Gas Vision 2050 - Delivering a Clean Energy Future</u> has found that net-zero emissions can be reached with hydrogen at half the cost of electrification.

The report was released today by a partnership of energy industry associations including Energy Networks Australia (ENA), Australian Gas Infrastructure Trust (AGIT), Australian Pipelines and Gas Association (APGA), Australian Petroleum Production and Exploration Association (APPEA), Gas Appliance Manufacturers Association of Australia (GAMAA) and Gas Energy Australia.

Gas Vision 2050 modelled three scenarios for a net-zero emissions future: green hydrogen (produced from renewable energy), blue hydrogen (from natural gas with carbon capture and storage) and electrification (where all gas and gas networks are decommissioned).

Launching the report, ENA Acting CEO, Tamatha Smith, said it demonstrated a net-zero emissions gas network could be achieved without the hefty power bill impacts of electrification.

"There is a role for electricity and a role for gas in a low carbon future, this report demonstrates it's not one or the other," Ms Smith said.

"Policy settings aimed at reducing emissions should recognise that continuing to use gas infrastructure is the lowest cost option to reach net-zero emissions from the energy sector by 2050.

"Hydrogen can also function as storage of excess renewable energy that can be used when the sun isn't shining, and the wind isn't blowing."

ENA's Head of Gas, Dr Dennis Van Puyvelde, said gas distribution networks were constructed of plastic materials that were compatible with delivering hydrogen as a fuel in place of natural gas.

"Gas pipelines could be repurposed or rebuilt to become hydrogen carrying pipelines at a much lower cost than delivering that amount of energy through electricity transmission lines," Dr Van Puyvelde said.

"Furthermore, gas infrastructure also delivers molecules to industrial processes which cannot be electrified. Hence, there is a clear benefit to being able to continue doing this with gas pipelines and networks."

For a web version of this media release, click here.

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Energy Networks Australia is the national industry body representing Australia's electricity transmission and distribution and gas distribution networks. Our members provide more than 16 million electricity and gas connections to almost every home and business across Australia.