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GAS TO PLAY MAJOR ROLE WITH RENEWABLE ENERGY FOR CLEANER RELIABLE ELECTRICITY

Research by leading economic consulting firm Frontier Economics has shown that natural gas in the coming decades will continue to play a vital role in securing Australia's cleaner energy future by working in tandem with renewable energies such as wind and solar to produce reliable and cleaner electricity.

Their report, [*The role of gas in the transition to net-zero power generation*](#), also highlights the important on-call role gas plays when supply from other energy sources is disrupted and why gas is critical to meet Australia's energy needs.

Frontier Economics director Andrew Harpham specialises in energy economics and is the author of the report that was commissioned by the Australian Gas Industry Trust.

Mr Harpham said that although the role of gas and coal in the electricity market has changed over the past twenty years, and renewable energies will play a larger part as coal production is phased out, gas still remains paramount when it comes to supplying reliable electricity.

"On all the measures we consider, gas is maintaining its role as a bulk energy provider to help meet the ongoing demand for energy. Gas also offers a flexible solution when there are unanticipated events and problems with supply from renewable energy sources," said Mr Harpham.

"Often it is the case that more gas is needed in the electricity market than what is forecast, and that's usually to do with 'unforeseen' events such as the closure of Hazelwood Power Station and a number of power station outage events. However, unforeseen events that result in the need for gas are likely to remain a feature of the energy market. Indeed, it may be the case that the effect of unforeseen events increases as we move to renewable energy sources," said Mr Harpham.

APPEA Chief Executive Andrew McConville said gas is the perfect partner to renewable energies as it produces only half the emissions of coal when used in power generation.

"Gas is the natural choice for cleaner electricity and as we rely less on coal and more on renewable energy there is still a need for gas-fired power to ensure the stability of our electricity system," said Mr McConville.

Mr Harpham also examined the role of gas in other global markets including the United Kingdom, Germany, Texas, New Zealand, and Brazil as those markets also transition to renewable energies and the findings were similar, highlighting the important role gas plays in providing cleaner energy.

"In none of the jurisdictions have we seen material reductions in gas output," Mr Harpham said.



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Media Release

Read the full report by Frontier Economics, [The role of gas in the transition to net-zero power generation](#) or read the [Executive Summary](#).

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