

Clean energy targets must recognise gas: APIA

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THE Rudd Government needs to revise its mandatory renewable energy target (MRET) to include a clean energy target if the country is to heed the advice of the Garnaut Review, warned the Australian Pipeline Industry Association.

The report released on Thursday calls on the federal government to set an interim 2020 target similar to those accepted by other developed nations, such as the European Union's 20%.

It also suggested that consideration be given to a tougher 2050 target, presently 60% under 2000 levels.

APIA chief executive Cheryl Cartwright said Australia's natural gas industry could go a long way towards helping the country introduce those emissions reduction targets as recommended by Garnaut.

"To meet this challenge, and still encourage renewable energy, the government's proposed MRET (the renewable energy target) needs to be expanded to include a clean energy target, thus allowing energy producers to use natural gas as part of their range of clean energy options," she said.

"An MRET that includes a clean energy target would still encourage development and use of renewable energy, but would also allow for the increased use of natural gas – a cleaner burning fuel than coal, and substantially less expensive than renewable energies. Also, the technology is available immediately."

Also responding to the report was Federal Environment Minister Penny Wong, who said Australia would wait for a final report from Professor Ross Garnaut on climate change policy before setting any mid-term carbon emissions reduction targets.

According to APIA, gas used to produce electricity in a co-generation facility creates about half the greenhouse gas emissions of an equivalent coal-fired power station.

Power generation by natural gas is generally around half the cost of power generation by renewable energy sources.

Also, natural gas-fired power generation uses only 20-40% of the water used for coal-fired power generation.



Cheryl Cartwright,
CEO, Australian
Pipeline Industry
Association.