



Report from the Executive

2022

The road ahead

*Inspiring Kiwi's to see LPG as part
of a sustainable future*

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THE ASSOCIATION

The LPG Association of New Zealand (Inc) represents companies from all sectors of the industry, from LPG production, distribution, wholesaling and retailing, to equipment supply, installation and servicing. The Association was established in 1975.

Membership represents all aspects of LPG fuel and appliance supply to the New Zealand market.

Directory

LPG Association of New Zealand (Inc)

Chief Executive: Janet Carson

Auditors: Moore Markhams Wellington Audit

Solicitors: Quigg Partners

MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE



25 October 2022

Kia ora LPGA members

In 2022 the LPG Association undertook its biggest strategic shift of the last two decades. Together with the Gas Association of New Zealand (GANZ), we reset our purpose and objectives. We shifted to a one voice approach for LPG and the broader gas industry, squarely focused on maximising the role LPG and gas play in delivering a net zero carbon future for New Zealand.

This shift was vital as the sector navigates the considerable challenges and enormous opportunities that lie ahead as we move to a decarbonised energy future.

The LPG Association and GANZ now share the same strategy. To increase our impact and maximise our resources, we also share the same chief executive, administration and office resources, and a common work programme.

These are fundamental changes and a lot of work this year has gone in to getting the new 'us' up and running. We are confident that the mahi has been, and will continue to be worth it. As you will read in this annual report, much progress has already been made, and plenty more is in the pipeline as we work to cement the important role of LPG in New Zealand's energy future.

The impetus for the shift reached a head last year with the Climate Change Commission's recommendation that Government consider setting a date to ban new gas connections. This recommendation, while only a recommendation, threatened the future of LPG and brought into sharp focus the purpose of the LPG Association and whether as an Association we were fully equipped to navigate the choppy waters and changing tides.

The purpose of our reset is to ensure you, our members, have the support you need to navigate this future. As the Future Sure campaign so eloquently put it, "the flame's not going out, it's going green."

The LPG Association's aim is to support the industry by giving New Zealanders confidence that LPG will continue to be delivered to our customers until we've fully moved to net zero carbon, and we need to keep building a realistic pathway that inspires Kiwis to see gas as part of a sustainable future.

Looking ahead we have two strategic priorities:

- Promoting renewable gases and rDME/bioLPG as key solutions to a net zero carbon future
- Enabling safe practices and policies for gas and LPG, and providing consumer assurance that they can use gas safely, now and in the future.

This year has been about ensuring that the foundations are in place to ensure we can deliver.
Gas energy has a bright future!

Ngā mihi koutou katoa



Ben Gerritsen
President LPGA



Janet Carson
Chief Executive LPGA

LPGA ACTIVITY 2022

New strategy

This year was significant in that our strategy shifted to a one voice approach for the LPG and gas industry. Together with the Gas Association of New Zealand we agreed a “GasNZ” strategy that straddled both Associations.

The one strategy approach recognised our increased advocacy role as we proceed headfast forward to a net zero carbon future for LPG.

The strategy confirmed two strategic priorities for the LPGA:

- Promoting renewable gases and rDME/bioLPG as a key solution to a net zero carbon future
- Enabling safe practices and policies for gas and LPG and providing consumer assurance that they can use gas safely, now and in the future.



Comprehensive work programme

In executing the strategy, we set a new work programme:

- We got front and centre of the government’s Gas Transition Plan, through participating in consultation processes and making submissions, liaising with the regulator and co-regulator GIC, and most recently in jointly commissioning a transition plan report with Energy Resources Aotearoa and the Major Gas Users Group.
- Achieved strong and consistent media coverage – approximately four media mentions every quarter, on topics promoting renewable gases and safety.
- Launched a new GasNZ website that shines a light on renewables and shifts our value proposition from LPG to a sector that promotes the goodness of gas in its many forms.
- Delivered an active speaking programme of an engagement every six weeks (comprised of conferences and external board presentations) – raising awareness of who we are and building credibility as an influencer on the future of gas and LPG.

- Changed our office location to be closer to stakeholders and to co-locate with electricity retailer stakeholders who similarly have a vested interest in a renewable energy future.
- Restructured the office roles to bring on board the skills and experience needed to deliver our work programme and execute the strategy.
 - Employed a senior office administrator to provide smooth operations, and member support.
 - Engaged a full service accountancy to provide all financial support, including reporting, financial guidance and advice, accounts payable and receivables, tax management, and payroll management.
- Met with the Minister of Energy and Resources to build her trust and confidence in us, as an organisation that is key to the gas transition, alongside connecting with National Leader, Chris Luxon, and National Energy spokesperson, Stuart Smith, to ensure the Opposition understand how we can contribute to New Zealand’s energy future.
- Established relationships with key government officials from MBIE, Ministry for the Environment and Waihanga Ara Rau and reset expectations about who we are, what we do, and how we can work together.
- Joined the Board of the Bioenergy Association to increase the LPG Association’s connectivity and networks in the renewable gas sector and our Chief Executive was appointed to their Board.

We identified key milestones for 2025 and the basics are in place to meet these.

RENEWABLE GAS	SAFETY
Roadmap for decarbonising LPG is in place and being implemented.	Gas qualification standards and competency framework is up to date.
Key terms of a renewable gas mandate is defined, or an alternative regulatory framework to drive surety and investment is in place.	LPG training standards are maintained and fit for purpose.
Certification regime for renewable gases is established.	A workforce gas strategy is in place that includes the transition to renewable gases.
Certification regime for appliances is established.	
The benefits of low emission gas and LPG alternatives are well understood by New Zealanders.	
Consumers understand how new gases will work with current appliances and are confident in investing in gas appliances.	
GasNZ is a trusted source for information and perspective on renewable gas.	
Importance of continued investment in infrastructure to facilitate renewable gases is well understood.	

Future Sure extended to 2024

Building on the success of the 2021 Future Sure campaign we extended the campaign for two more years.

The aim of this phase is to keep raising awareness of the future of renewable gas and LPG as we work with Government on the Gas Transition Pathway and National Energy Strategy. We are building on the brand value and gains made during the Future Sure campaign to continue to give New Zealanders confidence in the future of gas so they can confidently choose gas and LPG for their homes and businesses.

We acknowledge funding contributions from members that have made the campaign extension possible.



Dunedin Council LPG storage

Back in 2018 the LPGA appealed the controls on LPG storage and use in the proposed Dunedin Second Generation District Plan.

The proposal required additional consents for LPG in the Dunedin region. In December 2021 we got good news. The Dunedin City Council proposes to accept our position, specifically, that up to a maximum of 10,000KG there was "...no need for the district plan to control LPG storage and use, as that job is done effectively by the HSNO / HSWA regulations" (ie that there is no regulatory 'gap' for any LPG storage up to that amount). We are still working through the final stages of the appeal with the council and are confident we can reach a mutually acceptable arrangement with them.

SUBMISSIONS TO GOVERNMENT

Te Hau Mārohi ki Anamata – Carbon Emissions Reduction Plan Submission

Submission on Carbons Reduction Plan to the Ministry for the Environment. A primary focus of the submission was reiterating our call for a renewable gas mandate. The submission was supported by the Bioenergy Association, the Hospitality Association and Business New Zealand.

Transforming Recycling

Responded to the Government consultation on Transforming recycling, supporting kerbside waste separation and highlighting the benefits that this would bring for renewable LPG and gas production from waste.

HEALTH AND SAFETY COMMITTEE

From Rachael Morris HSE Committee Chair

The LPGA Health and Safety Committee has continued to review incidents across the industry and to provide advice and guidance to LPG delivery teams across the country.

We have advised on storage safety limits and are taking an increased role in communicating to customers industry safety guidance.

This year's highlight was the filming and subsequent roll out of our "Check Check" video which highlighted the potential hazards of connecting a 9kg to a 45kg compound when a customer runs out of gas. The message was to make it a routine to check your cylinders and order before you run out, which would negate the need to connect a 9kg in the first instance.

With the encouragement of the Executive we will continue to build on our library of safety videos to help spread a consistent message across the industry.

We farewelled our administrator, Colin Lewis, and thank him for his support to the committee over many years.



TECHNICAL COMMITTEE

From Rachel Cleaver Technical Committee Chair

Another busy year has passed for the Technical Committee, especially in producing industry training material and guidelines.



Training publications

● LPG Emergency responder training package

This covered all aspects of assessing and dealing with a range of typical LPG incident scenarios. This has been issued to the industry to be used as is or incorporated into any existing training.

Stakeholders consulted in the project included:

- Fire and Emergency NZ
- Liquid Gas Services
- Gasco & Pipeline
- Responsible Care NZ. Finalising.

● Training package for those filling On-site/LPG cylinders greater than 100 L WC

This covered a gap in LPGA training material, which had been filled by various individual and company-based systems.

● Training package for employees who “handle” LPG

Removing the requirement for Approved Handlers, and replacing it with a more general requirement, produced a confusing array of interpretations about what is “handling”, and therefore who on a site with LPG needs training and to what level. There was also confusion about what “demonstrates” means.

The finished package includes an assessment guide and a certificate for completion, and the intention is that certification to this training material will provide a demonstration of the PCBU’s HSWA HS responsibilities regarding training.

● LPG Association guides

Varying interpretations by Compliance Certifiers, Inspectors and Industry members was resulting in delays and confusion. In response The Association developed guides to provide an agreed interpretation of the relevant requirements of the HSWA Hazardous Substance Regulations 2017, relating to:

- Groups of cylinders installed for use
- Cylinder and tank security
- Signage.

WorkSafe NZ were consulted in the preparation of the guides. The guidance was based on AS/NZS 1596: 2014 The storage and Handling of LPG.

We have two areas of ongoing work that we expect to resolve in the year ahead:

- **CoP for nominally empty tank wagons and emergency parking**

This code has been some time in preparation, as it raises a number of significant issues and involves a number of regulatory areas. However, work is continuing and completion is expected in the next year.

- **Approvals for gas fired vaporisers**

The Committee is in discussion with WorkSafe regarding (what the industry views) as a significant change of interpretation to a clause in the HSWA HS Regulations relating to vaporiser approvals. This is ongoing at this stage and an OIA request has been made for material on the background to the decision.

STANDARDS

AG-001 Committee which covers the AS/NZS 5263 group of standards covering gas appliance design

Peter Gilbert sits on this committee

The Committee is currently considering the revision of AS/NZS 5263.0: 2017 Gas Appliances Part 0: General requirements. The Committee has agreed that the draft be released for a 2nd round of public comment, as some major technical changes are proposed as a result of comments received during the 1st round of the public comments process.

A number of amendments are also being considered to:

- AS 4563: 2022 Commercial catering gas equipment
- AS/NZS 5263.1.4:2017 Radiant gas heaters (3) AS/NZS 5263.1.7:2020 Domestic outdoor gas cooking appliances
- AS/NZS 5263.1.10:2019 Gas direct fired air heaters
- (AS/NZS 5263.1.11:2020 Small gas engine driven appliances
- New Technical Specification: SA TS 5390: 20XX Type A gas appliance standards to facilitate 100% hydrogen appliances.

AG-006 committee which covers AS/NZS 5601.1 and Gas Installation and AS/NZS 5601.2 Gas Installations in Caravans and Boats

Peter Gilbert sits on this committee

The revision AS/NZS 5601.1, Gas installations, Part 1: General installations, has now been published. There are a number of changes in the Standard, the most significant relate to separation distances around commercial catering equipment.

The Committee is working on a number of proposed amendments to cover the following:

- 100% Hydrogen
- Biogas including bioLPG
- Pipe expansion
- Hydrogen blending and biomethane
- Appliance location – Salamanders, laundry dryers and coupled HWS
- Appliance location – General 1.5m rule and appliance replacement
- Flue clusters and banked instantaneous water heaters
- Small gas engine clearances
- Clarify that room sealed Type 2 decorative effect appliances don't require permanent ventilation.
- Outdoor appliances under verandas/ alfresco areas
- Battery Energy Storage Systems (BESS)
- Hotplates with downdraught systems
- Hotplate clearances from glass splashbacks
- Building ventilation (NOx and 3MJ/h/m³ rule)
- Worked examples for flueless space heaters in spaces with other appliances
- Hose assemblies – Making reference to Food Standards Code
- Hose assemblies – Whether restraints are required when installation instructions indicate the appliance needs to be fixed even though it is on castors or wheels
- Clearances between open flame commercial catering appliance and a deep fryer
- Exhaust air to outside for commercial kitchens.

The Committee is working on a proposed amendment to AS/NZS 5601.2, Gas installations, Part 2: LP Gas installations in caravans and boats for non-propulsive purposes covering:

- Application of vapour barriers in the "controlled area" for caravans – Detailed informative appendix on the application of vapour barriers in the controlled area
- Revision of section 5 to align with AS/NZS 5601.1
- Mandate CO detectors for caravans – Depending on further clarity around current ventilation requirements
- Ventilation of caravans with only room sealed appliances
- Clarification on stowed appliances.

There is also a proposed revision to cover:

- Mobile catering vehicles
- Application of vapour barriers in the “controlled area” for caravan – diagrammatical examples of vapour barrier clearances
- Requirements for commercial kitchens from AS/NZS 5601.1 replicated into AS/NZS 5601.2
- Reproduce in AS/NZS 5601.2 for houseboats, the figures from AS/NZS 5601.1 for the installation of appliances on balconies.

AG-013 committee covers components used for gas appliances and equipment and AS/NZS 1869 Hoses and Hose Assemblies

Nick Foster sits on this committee

The revised Standard, which is now an AS only Standard, was released for public comment in August this year. It has been split into three parts:

- AS 1869.1:2022 Hose and hose assemblies for liquefied petroleum gases (LP Gas), natural gas and town gas, Part 1: Non-metallic liners
- AS 1869.0:2022 Hose and hose assemblies for liquefied petroleum gases (LP Gas), natural gas and town gas, Part 0: General requirements
- AS 1869.2:2022 Hose and hose assemblies for liquefied petroleum gases (LP Gas), natural gas and town gas, Part 2: Metallic liners

Nick has reported that even though it is now an Australian only Standard, the New Zealand views were taken into account in the final versions.

ME-15 committee covers AS/NZS 1596 – The storage and handling of LPG

Peter Gilbert and Rowan Smith sit on this committee

A proposal for a revision is being prepared for the Standard to cover:

- General issues to ensure the Standard reflects current requirements.
- BioLPG and LPG/renewable DME blends.

This is an important joint Standard for the New Zealand LPG Industry:

- It is seen as a potential means of compliance with the requirements of the Health and Safety at Work Act Hazardous Substance Regulations.
- A number of clauses from the Standard are currently cited in the HSWA HS regulations.
- For items not covered in the HSWA HS Regulations, the Standard is recognised as an acceptable solution.

EXECUTIVE COMMITTEE REPRESENTATION

Executive elected at 2021 at annual meeting

OMV NZ	Robert Bruce	Producer
Liquigas	Albert de Geest	Distributor
OnGas	Neil Williams	Wholesaler
Rockgas	Ben Gerritsen	Wholesaler
ELGAS	Nick Hannan	Wholesaler
Genesis Energy	Neil Crookes	Wholesaler
Rinnai NZ	Ray Ferner	Appliance Supplier
Gameco NZ	Brett Miller	Equipment Supplier

President

Ben Gerritsen was elected President at the 2021 annual meeting.

Vice President

Albert de Geest was elected Vice President at the December 2021 Executive meeting.

OTHER COMMITTEES

Technical Committee

Rachel Cleaver, Chair	Nick Foster
Casper du Plessis	Peter Gilbert
Rowan Smith	Daniel Erasmus

Health and Safety Committee

Rachael Morris, Chair	Louisa George
Casper du Plessis	Colin Stevens
Charlotte Miller	

MEMBERSHIP OF THE ASSOCIATION

Producer

OMV New Zealand
Todd Energy

Distributor

Liquigas Ltd

Wholesaler

Elgas
Genesis Energy
Vector OnGas
Rockgas

Retailer

Aotea Gas & Garden
Arthur Cates Ltd
Auto Gas Centre Ltd
Bob's Gas
CoreGas NZ
Dive & Gas
Eastern Gas and Hire
ECO Central
Far North Gas
Gas Pro Waikato
GasNet
Gaspro Mount
GetGas
Island Fuels Ltd
Mata Gas
Metro Gas

North Harbour Hire Ltd
Porirua Cylinder Testing
Waiheke Energy Centre

Equipment Supplier

Gameco NZ Ltd
Manchester Tank
Smart Cylinders
Vapor Gas Equipment Ltd

Appliance Supplier

Rinnai NZ Ltd

Installer

BHS Contractors Ltd
Climate and Plumbing
Gas Engineering Services
Gasco Pipeline
Gasco South Island
GasTech NZ Ltd
Kevin J Morgan Plumbing
Liquid Gas Services Ltd
Mclvor Plumbing and Gasfitters

Transporter

Alexander Group
Bulk Energy NZ
Lowes Industries
Oceangas Services Ltd
Uhlenberg Haulage Ltd

Associate Member

Aber Holdings

AECOM

Approved Compliance Certifiers

Bromic NZ

EMS Ltd

Fiji Gas

Galpro Stylex

Gas Energy Australia

Hale & Twomey Ltd

Hamilton Plumbing Co Ltd

Heatrite

LP Gas Association (UK)

LPG & Safety Consultants

National Propane Gas Association

Nationwide Fire Protection

SGS NZ Ltd