

LPGA supports new hot water energy efficiency proposals

The Association has actively supported the Department of Building and Housing's proposed changes to the energy efficiency requirements for domestic hot water systems.

The Association contributed a formal submission which focused on domestic water heating systems and which expressed the industry's full support for two recommended options.

The first option proposed enhancing the energy efficiency of domestic hot water systems in new homes by requiring all hot water pipes to be insulated. This would reduce energy bills.

"Regardless of the heating method, this is an obvious energy saving measure with good consumer payback," says Association executive director, Peter Gilbert.

The Association also supports a proposal to use a rating tool to evaluate energy efficiency in hot water systems.

This would also involve setting system design limits to ensure hot



water systems use less non-renewable energy. All new installations would have to meet the minimum criteria.

"We fully endorse a design rating system that takes into account electricity generation efficiencies and

CO2 outputs," says Peter.

"Given that LPG instantaneous gas water heaters provide higher efficiencies and lower emissions, we're keen to work with DBH to develop this option."

Contact completes purchase of Rockgas

One of NZ's largest power companies has expanded into the LPG market.

Contact Energy purchased LPG supplier, Rockgas Limited, from Australian company, Origin Energy. The purchase was completed on 30 April 2007 following approval under the Overseas Investment Act.

Contact Energy's chief executive, David Baldwin, said the decision

would provide growth opportunities for Rockgas through Contact's large customer base and would give Contact a unique platform in New Zealand's energy markets.

"Through Contact's acquisition of Rockgas we will be able to supply not only electricity and reticulated natural gas, but LPG for those homes and businesses which are not connected to gas networks, or wish to use LPG to man-

age peak energy demands," he said.

Employing over 150 staff, Rockgas sells around 90,000 tonnes of LPG each year as bottled and reticulated LPG, and automotive product.

Rockgas has advised customers that it will be business as usual, despite the change in ownership, but the change could mean an increase in the range of services offered to customers in future.

Point of Sale Leaflets Promote Benefits of LPG

5 things you may know about LPG:

- 1 It's the most versatile of fuels – you can use it for heating, cooking, hot water, the barbecue, as well as in your car.
- 2 LPG is available to all homes and businesses, and because it is not limited by a gas network or main, LPG can be used anywhere.
- 3 It's safe, clean and natural.
- 4 It's kinder to the environment – cleaner than coal, oil, wood, petrol or diesel.
- 5 It's cost-effective and convenient – a smart choice.

5 things you may not know about LPG:

- 1 New Zealanders use 50% more LPG than they did five years ago – and demand continues to grow.
- 2 LPG appliances are among the most stylish and efficient you can buy.
- 3 LPG produces less greenhouse gases than coal, wood and oil.
- 4 Over forty thousand New Zealand homes enjoy the benefits of LPG for home heating, cooking and water heating.
- 5 Supplies of LPG are assured for years to come – so it's a smart and economically sensible choice.

Find out how you can start using LPG

To find out how you can take advantage of everything LPG has to offer, visit www.lpga.co.nz
Or contact your local LPG supplier – you'll find them in the Yellow Pages.

LPG
liquefied petroleum gas

smart. clean. green.

LPGA Association
OF NEW ZEALAND (INC)
www.lpga.co.nz

Leaflets promoting the benefits of LPG have been sent to major gas appliance retailers across the country, including Plumbing World, Mitre 10 Mega and Mico Wakefield.

A total of 40,000 leaflets were

sent out, with the aim of allowing customers to make an informed choice on LPG. The message is that LPG is a smart, clean, green choice.

The leaflets positioned LPG as the most versatile fuel, because of its ability to be used for heating, cooking,

hot water and barbecues, as well as in vehicles.

Peter Gilbert says they've had a great response from retailers. He hopes that as well as informing customers, he hoped the leaflets would help educate salespeople on the benefits of LPG.

Cabinet heater safety

Nearly half a million public education leaflets have been distributed to encourage New Zealanders to use LPG appliances safely and efficiently.

Funded by the LPG Association, the leaflets focus specifically on the use of cabinet heaters.

"The LPG industry in New Zealand has an enviable safety record, mainly because we work very hard to ensure consumers understand how to use these appliances appropriately and to have them serviced when required," said LPGA executive director, Peter Gilbert.

"In order to maintain that record, industry must continue with education

campaigns which promote the benefits of using LPG and how to do so safely."

The Association has undertaken this year's campaign in conjunction with the Energy Safety Service.

The leaflets were sent to all 570 filling outlets throughout the country.

In the past, the campaign has been run using swing tags. However, this year the LPGA had to fund the bulk of the costs, so it was decided that leaflets would be a cost-effective way of getting the message out.

"We hope that everyone filling a cylinder gets handed a leaflet until the outlet runs out of them," says Peter.

Gas Line is published four times a year by Four Winds Communications for the LPG Association of New Zealand.

The views expressed in this publication are not necessarily those of the LPGA.

The LPGA can be contacted on telephone 04 473 9519, or email lpga@clear.net.nz

LPG appliances change lives in Taumaranui warm homes pilot

At the beginning of winter the Ministry for the Environment, in conjunction with Ruapehu District Council, launched a pilot scheme in Taumaranui to test home heating appliances.

The aim of the scheme was to trial a number of clean heating systems to look at ways of improving how people heat their homes.

Peter Gilbert, LPG Association executive director, heard about the pilot through his close links with the Ministry and was keen to have LPG appliances included.

“After putting out a request to members to support the pilot, I received offers of assistance from Abergas, Rinnai, OnGas and Rockgas,” Peter said. “These member companies generously agreed to cover the costs of the appliances, the installation of the appliances and two free LPG bottles.”

All the houses in the trial were retrofitted with insulation before the new heating systems were put in. The pilot included heat pumps, wood burners, pellet burners, LPG gas central heating and LPG gas fires.

Trang Couper, project manager for the pilot, said the participants were generally very happy with the appliances they trialed.

“Most were surprised at the relatively low cost of operating the appliance,” said Trang. “The lessons learnt from the pilot will be reported back to the Taumaranui Warm Homes Air Quality Committee and will be used to inform future initiatives.”

Trialing the BonaireVulcan V5 LPG central heating system has made all the difference to the Higgins family (pictured below) this winter.

Last winter it was not uncommon for two and a half year old Issac Higgins to be rushed to hospital because of his asthma, or for his skin to bleed from eczema to the extent that he needed to be wrapped up.

Mold, dust, coldness, moisture, sudden changes in temperature all exacerbate little

Issac’s allergies. It was not uncommon last winter to empty the family’s 20 litre dehumidifier three times a week or to find ice inside the windows in the house or to find water dripping from their windows.



Tears come to Jodie Higgins’ eyes when she talks about the difference the BonaireVulcan V5 LPG central heating system has made to her family’s lives.

“The system doesn’t just heat one room, like our old wood burner; it heats the entire house,” said Mrs Higgins. “We used to sometimes sleep in the lounge because it was the warmest room in the house.”

“Issac’s skin has cleared up and he has had only one asthma attack this year and that was when he was at a friend’s house,” she said.

Jodie’s husband, Jared Higgins also added that none of the family has been sick this winter with the normal winter ailments such as the flu and the cold.

“We thought that it might have been expensive to run but like all things it comes down to how you use it,” said Mr Higgins. “We have the system on in the morning for a couple of hours and in the evenings.”

“We would go through one to two bottles of LPG per month, and at \$90 per bottle delivered to your door, it’s still pretty economical compared to wood,” he said.

June Elers (picture below) feels privileged to have been selected to participate in the pilot this winter. She has been trialing the Rinnai Timberflame LPG fire in the pilot with her father who is 80.



Mrs Elers loves her gas fire and says that it is definitely an improvement on last winter when they used oil heaters to heat their home.

“I love the way the gas fire looks, its easy to use, the heat is instant and the convenience of gas without the smell.”

“My father enjoys sitting in front of the gas fire and watching the flames. The whole house is warmer and my father is not so wheezy.”

Mrs Elers has used up two cylinders of LPG this winter. She estimates that she would use between 1-2 bottles per month during an average winter.

Peter Gilbert is thrilled with the results of the pilot.

“It’s tremendous to hear how LPG is helping improve these people’s lives,” he said. “We’ll definitely be keen to promote the use of LPG through the pilots if and when they are rolled out to other parts of the country.”

Christchurch Sustainable Energy Strategy overlooks benefits of LPG

The LPG Association is concerned a strategy for sustainable energy proposed by the Christchurch City Council has overlooked the benefits of LPG.

"The LPG Association supports the efficient use of energy," said Peter Gilbert, Association executive director. "However, we do have concerns with some of the references in the Strategy to LPG, and the way it appears to over-look the benefits and the contribution this lower-carbon energy source can make to the strategy's goals."

The Strategy includes a list of the best options for the future, but makes no reference to the benefits of diversifying energy use away from electricity by substituting it with LPG.

"We have made a submission on the Strategy advising that the use of LPG would help to reinforce supply security and reduce CO2 emissions."

The submission points to displacing electricity with LPG for winter heating as an example of how to reduce demand on the electricity network and reduces CO2 emissions.

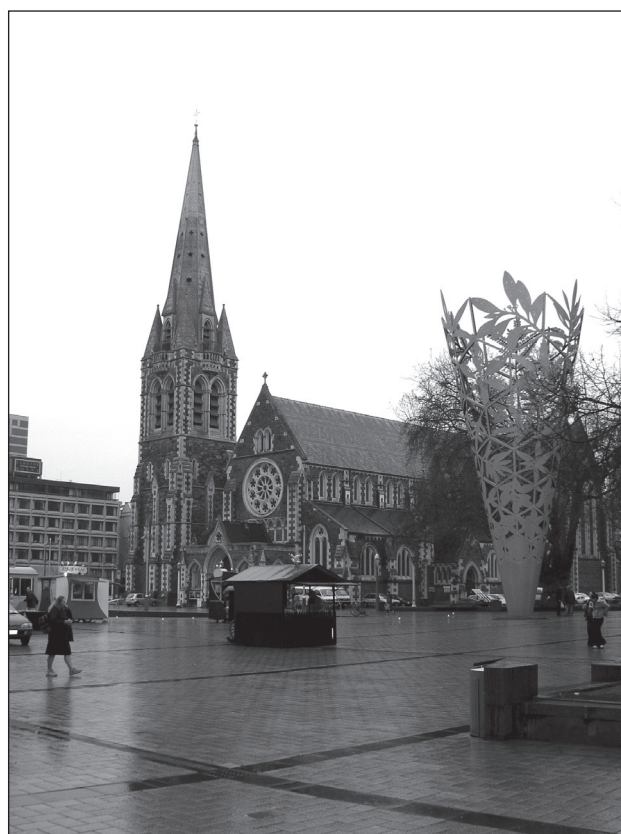
"The Strategy's 'best options' list fails to include the benefits of replacing fuels with higher CO2 and other harmful emission profiles with cleaner-burning energy sources," said Peter. "For example, encouraging the use of LPG rather than coal in industrial boilers and LPG rather than petrol in our vehicle fleet."

The report states that LPG supply has the potential to threaten security due to gas shortages and imports. Peter said this statement paints an inaccurate picture.

"New Zealand has unlimited access to plentiful supplies of LPG for the foreseeable future. In addition, our own Kupe field in Taranaki is on schedule to produce 90,000 tonnes of LPG per year beginning in 2009. This will relieve the need to import either totally or at least substantially."

The submission also pointed out that diversifying energy use by replacing electricity with LPG would aid energy security by reducing reliance on the electricity network which is coming under increasing strain.

"The message from a recent BRANZ study is clear



- encouraging heat pumps will simply exacerbate our growing electricity generation and transmission problems," said Peter. "The fuels used for space and water heating should be as diverse as possible and should include natural gas and LPG."

Because LPG is one of the lowest emitters of CO2 of any fossil fuel, the LPG Association believes its use should therefore be encouraged in place of other higher CO2 emitting fuels such as oil, petrol and coal.

"In our submission we were at pains to point out that while we must focus on energy efficiency and using renewables where possible, we must not ignore all the other options that, incrementally perhaps, will contribute to the overall goal."

Conference update

This year's conference will be held on Thursday 25 and Friday 26 October in Hamilton, with a registration evening on Wednesday 24th.

Registration forms will be sent out to members this month.

Speakers and presentations already confirmed include a paper on New Zealand's LPG supply going forward by Albert de Geest, from Liquid Gas, a report on the indoor air quality study carried out by Otago University and Wellington School of Medicine, and a report from the

Electricity Commission on their Electricity Efficiency Potential study.

There will also be an update on the Australian LPG market, an update on employment law from Michael Quigg of Quigg partners and an update on HSNO from ERMA CE Rob Forlong.

Not forgetting, of course, the always-enjoyable networking event on Thursday afternoon. Keep an eye out for your registration form or call Peter Gilbert on 04 473 9519.

ABERGAS: spreading the word

Abergas is meeting decision makers to explain how gas can help solve New Zealand's energy problems.

"Our main focus at the moment is to try and get together with people in the building industry to talk about the role gas can play in meeting space and water heating needs," says Gregg Brown, Abergas chief executive.

The first stage in their plan is to embark on a roadshow. Greg and marketing manager Ken xx will travel the country to talking to decision makers and stakeholders.

"We have a great story to tell and the roadshow is a great opportunity for us to do that," says Ken. "We'll be talking to industry, Government agencies and influencers, including architects and builders."

They've developed a presentation which they say is designed to help everyone, from gasfitters to policy analysts, to understand the benefits of using gas.

Their first appointment was in August with Construction Marketing Services (CMS), a business which provides marketing and promotional service for manufacturers, importers and distributors of building products. The Abergas team met with a dozen advisors whose clients are mainly building products companies.

"It was a productive meeting, with lots of two-way interaction," says Gregg. "We hope it will result in better promotion of gas to specifiers."

Over the next few months, Gregg

and Ken plan to take their roadshow to a wider audience of LPG wholesalers, energy retailers, influencers, policy advisors, such as those at DBH and EECA, and energy companies, including Genesis and Vector.

They've also developed a range of marketing collateral, including a DVD which profiles their product range and a number of sales brochures.

"They are our most comprehensive brochures to date and we've had some really good feedback," says Ken.

The roadshow and marketing campaigns are part of a wider changes happening at Abergas. At the beginning of last year they combined premises, moving all four warehouses under one roof.

They have also invested in new onsite training facilities. Abergas currently runs training courses for staff, customers and gasfitters. Their gas fitter courses are ITO accredited and include training in water heating, set up and installation.

Gregg says their new premises also help create a good impression when hosting clients, such as The Warehouse and Bunnings.

"The company has expanded so much over the last 10 years, it was obvious the time had come to consolidate our premises. This was we have improved training facilities and a better operating environment for our 45 staff members."

Site trainer database

The LPG Association is updating its Site Trainer database and is urging all filling stations to update their details.

The Association sent a fax-back form to filling stations, urging them to advise if any site trainer details are incorrect.

"The database was established in 2005, and there have obviously been

changes in site staff in that time," says LPGA executive director, Peter Gilbert.

"Under the HSNO Act, site trainers are "deemed test certifiers". To continue to meet our requirements under the Act, we must maintain current records."

Peter anticipates a good response from filling stations.

Jeff Wilson to promote Rockgas

Sporting all rounder, Jeff Wilson, is working with Rockgas to boost the profile of auto LPG.

The ex-All Black and Black Cap is promoting the fuel to high mileage drivers and fleet operators as the cleanest available option.

"Using cleaner transport fuels, like Rockgas auto LPG, is one of the best ways to reduce vehicle pollution while also cutting our fuel bills."

Jeff says he's particularly focused on the environmental aspect of automotive LPG because he says it's important to use our natural resources as wisely as we can.

"By helping to promote Rockgas auto LPG, I can reinforce that commitment with some positive action."

Autogas no longer limited to light-duty vehicles

New vehicle technology developments overseas are increasing the popularity of automotive LPG as a transport fuel for heavy vehicles.

General Motors has released an 8.1-litre LPG engine for fleets operating school buses, utility vehicles, shuttle buses and delivery trucks.

This new engine features a Liquid Propane Injection (LPI) fuel system that replaces the gasoline fuel tank, fuel pump and injector rails with an injector fuel rail and flow control wiring harness that is installed pre-delivery to GM dealers.

The technology provides improved fuel economy and superior performance with lower emissions that meet estimated U.S. EPA requirements through the 2009 production year.

The system also matches petrol horsepower, has a better torque curve than petrol, and provides better cold starts. Research is also underway in Korea on a 4.9 litre LPI engine.

Smart heating options should include gas

The LPG Association and the Gas Association have expressed their concern over a recent publication by EECA and the Department of Building and Housing (DBH).

The brochure, entitled “Save on your power bill”, which was distributed to households nationally, lists a range of “smart heating options for your money”, but fails to mention the direct use of gas (DUOG).

“We are very surprised that EECA and DBH do not also include direct use of gas in this section,” said LPGA executive director, Peter Gilbert.

“We feel this sends negative message to over 1 million New Zealand home owners, architects, builders, property developers and local Government, many of whom will no doubt act on, or be influenced by, the advice and content of this publication.”

In a letter to the DBH and EECA, the LPG Association and GANZ pointed out that New Zealand has access to plenty of natural gas and LPG to service the residential and light commercial sectors.

They also highlighted the fact that there is a wealth of information and research available to actively reinforce the value of DUOG as an energy source for space and water heating, and cooking.

“The most recently published literature, a study by BRANZ, showed that more DUOG (including LPG) could halve New Zealand’s household electricity demand,” said Peter.

“That outcome alone must offer a variety of short and



longer-term advantages.

“DUOG can provide good energy efficiency outcomes and help to curb climate change impacts by greatly reducing the need for thermal generation.”

The Gas and LPG industries have spent considerable time and effort over the last several years briefing EECA officials in particular about DUOG in an effort to encourage them to consider the obvious benefits of fuel switching.

This has included meeting with EECA officials and providing a joint submission to the draft NZEECS and Energy Strategy.

“We are now discussing with EECA and DBH how we might work together in future to ensure New Zealanders have useful information about the benefits of DUOG as a smart heating energy source,” said Peter.

Energy Strategy could limit exploration

While there is plenty of gas for the reticulated network for the foreseeable future, there are concerns an impending supply gap in the middle of next decade will mean a shortfall of gas for generation.

Petroleum Exploration and Production Association executive officer, John Pfahlert, said that despite the Great South Basin exploration announcement, Government’s draft New Zealand Energy Strategy could make New Zealand a less attractive investment destination for oil and gas explorers.

The draft strategy states the current regime and incentives for gas exploration are generally appropriate and do not need to be enhanced. It also states that it is preferable that all new electricity generation be renewable, except to the extent necessary to maintain security of

supply.

“The draft strategy does not take into account the likely impact on gas supply that constraining gas demand would have,” John said. “This could send signals about thermal generation which may discourage investment in the sector.”

While New Zealand has a vibrant oil and gas industry, many of the fields developed in recent years (such as Pohokura, Tui, Kupe and Maari) have had long gestation periods, and the green-fields exploration down South will take years to develop, if oil and gas are ever found.

John believes constraining base load thermal generation is likely to limit growth within the New Zealand gas market and make explorers question the certainty that there will be a sustained

development of the market.

“It will also impede future gas developments coming to the market,” John said. “Long-term contracts for gas supply facilitate capital investment in major projects where the returns accrue over long periods.”

He said without large foundation customers, such as an electricity generator who is able to accept the quantity and risk inherent in a long-term gas contract, there will be no gas user that is able to provide explorers with the certain cash flow necessary to “bank” a new gas field development.

“The aspects of gas exploration and constrained thermal generation opportunities in the strategy should have been considered together. As it stands now, they could pose a major hidden risk.”