

GAS NEW ZEALAND

Representing New Zealand's Gas Industry

smart. clean. efficient.



Published monthly by the LPG and Gas Associations of NZ

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Welcome to Gas New Zealand, a joint publication of the LPG Association of NZ and the Gas Association of NZ.

Gas New Zealand will be published regularly as part of the industry's efforts to encourage the direct use of natural gas and LPG into households and small business.

Using natural gas and LPG as a direct energy source offers numerous cost, environmental and energy efficiency benefits, and Gas New Zealand hopes to educate consumers and policy makers about the many advantages of making wider use of this strategic energy asset.

NEW ENERGY AND RESOURCES MINISTER ANNOUNCED

Phil Heatley is New Zealand's new energy and resources minister. Mr Heatley has moved up a spot into 16th place on the cabinet list and has also retained the housing portfolio. Mr Heatley is 42 years old. Being born, raised and educated in Whangarei, he has strong personal ties to the electorate with both his immediate and extended family residing there.

In 1990, he completed a Masters with honours degree majoring in Horticultural Engineering. After finishing his studies he returned to Whangarei to work. In 1993, both Mr Heatley and his wife Jenny, a registered nurse, worked voluntarily with an international relief agency aboard a nine-story, 12,000-ton hospital ship. When in port, crew undertake medical, agricultural and construction work in developing countries.

After returning from overseas in 1995, Mr Heatley was employed as a Professional Engineer for a NZ Dairy Board subsidiary. Nationally, Mr Heatley was responsible for working on behalf of the dairy industry in relation to the Resource Management Act (1991).

Mr Heatley's personal interests include carpentry, tennis, boating and fishing.

Profile obtained from www.national.org.nz.

REIGNITING THE GAS STORY

The Gas Hub is a brand created by Powerco to help promote the benefits of natural gas to New Zealanders.

The brand includes a one-stop-shop website that aims to be a central point of information on anything natural gas, to make it easier for consumers, and the industry, to get connected with people, information and, of course, to get connected to natural gas.



The Gas Hub spokesperson, Mark Hermann, presented at the 2011 Gas New Zealand industry forum on how The Gas Hub plans to reignite the gas story.

Mr Hermann's presentation focussed on the current performance of gas in New Zealand, the reasons behind the development of The Gas Hub, and the future aims and aspirations for the brand.

He said gas residential connection growth rates are stagnant when compared to sky rocketing heat pump sales in recent years.

"Consumers are bored with 'instant' messaging and the same old marketing. They're frustrated by fragmentation and natural gas is no longer front of mind."

Through market research Powerco found that consumers' interest in natural gas can be reignited if the true value proposition is understood.

He said "we recognised a real opportunity for a natural gas brand to make a difference in the residential market - a real opportunity to signal positive change.

[Click here](#) to view the full presentation and the story behind The Gas Hub.

FOLLOW US ON TWITTER

Just a reminder to all our members and friends, who have a Twitter account, to follow us on Twitter at [@BeautyOfGas](https://twitter.com/BeautyOfGas).



The more industry support we have, the better we can promote the cost saving and environmental benefits of using LPG and natural gas as a heating and cooking source.

In addition, the account will also help to bust myths that portray gas as "too hard" compared with electricity!

[@BeautyOfGas](https://twitter.com/BeautyOfGas) aims to show consumers that the direct use of gas is a sensible and viable alternative to increasing electricity use throughout New Zealand.

So, please get involved and feel free to post your own stories and queries on our page. And, if you're feeling really generous, why not post links to both the beauty of gas microsite and Twitter page on your company website? It is Christmas after all...

LPGA & GANZ OFFICES WILL BE CLOSED

The LPGA & GANZ offices will be closed over the summer break between Dec 23rd and Jan 4th.

The LPGA and GANZ wish all our members, friends, colleagues and stakeholders a very happy and safe festive season and a happy and prosperous New Year.



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DESPITE PIPELINE CRISIS, FONTERRA DEFENDS GAS

Fonterra has announced that using gas at its milk processing plants, as outlined in their current energy strategy, is still an efficient option.

At present the co-op is reviewing the energy sources at its various manufacturing plants due to production losses which occurred during the Maui pipeline outage in October.

"This 1-in-30 year event for Vector came during our record peak season – a big factor in the impact it has had on the industry," said Fonterra Co-op Limited's managing director of operations and trade, Gary Romano.

"Following any incident like this, we will hold a review but it's too early to know the outcome."

Mr Romano said that if the outage had of happened at any other time of year, Fonterra could have moved the milk for processing.

LPG SUPPLY AND DEMAND FOR THE FUTURE

Another presentation to note at this year's industry forum was one by Liquigas modeller – analyst, Victoria Jull.

Ms Jull focussed on LPG supply and demand in New Zealand.

She said New Zealand is about to move from a balanced LPG supply/demand position into a position of oversupply of up to 40,000mt per year.

"This will result in additional LPG exports, however, there will need to be coordination between various parties as one company will not have the entire surplus.

"Liquigas would like to coordinate this export approach to maximise the economic benefit to all parties."

She said "pooling LPG together onto one ship will improve the freight economics, and therefore increase the commercial benefit to all exporters."

[Click here](#) to view the full presentation.

REDUCING FUEL RUNNING COSTS

Most light vehicle operators are using the most expensive fuel – petrol.

Changing to alternatives such as LPG, diesel or hybrid can reduce your fuel running costs. And in LPG's case, this reduction can be up to 35 per cent.

As fuel is the single largest running cost for high mileage vehicle operators, reducing fuel costs can make a big difference.

Never before have vehicle operators had so many fuel choices available to them. For some, it's an easy choice as the vehicle, and fuel type of their preference, may be a standard offering.

However, for many it will be a compromise between the vehicle (brand, model or size) or fuel type they'd prefer.

Aftermarket LPG conversion on petrol vehicles has been available for some time and is a great way for people to get their preferred vehicle type along with lower running costs; whether it's a large (Ford Falcon) or a mid-size car (Toyota Camry).

In addition, purchase prices for hybrid, diesel and LPG vehicles are typically higher than petrol model equivalents. The factory LPG Falcon, and after-market LPG conversions, stack up well in this regard with the purchase, or conversion premium, similar to, or lower than, diesel and hybrid premiums.

[Click here](#) to read more.



Article and picture credited to Ruory Fairbrother, independent LPG consultant.

[Click here](#) to view Mr Fairbrother's industry forum presentation – Driving automotive LPG

Gas New Zealand is published monthly by Four Winds Communications for the LPG Association and Gas Association of New Zealand.

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