

GAS NEW ZEALAND

Representing New Zealand's Gas Industry

smart. clean. efficient.



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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.

RESEARCH SHOWS GAS IS POPULAR WITH KIWIS

New research shows that natural gas and LPG are popular choices for household heating in New Zealand.

Gas New Zealand spokesperson, Ray Ferner, says the research shows that 44 percent of households in the Wellington, Manawatu, Wanganui, Taranaki and Hawke's Bay areas use either natural gas or LPG for their home heating energy source.

"Electricity is still the most widely-used energy source when it comes to home heating (55% of households), but gas is certainly growing in popularity," Mr Ferner said.

"It's interesting that gas is still such a popular home heating energy source, especially when you consider the plethora of advertising done by the heat pump industry.

"That's the beauty of gas – it's still so popular despite the intense competition," Mr Ferner said.

The research was commissioned by electricity and gas company, Powerco.

Mr Ferner said some 350,000 New Zealand homes are now connected to either natural gas or LPG. Gas is also commonly installed in the majority of new houses that are built.

The research also shows that, of the five regions surveyed, Wellingtonians are the biggest users of gas, followed by Manawatu, Wanganui, Taranaki and Hawke's Bay.

Gas New Zealand is an advocacy group established to encourage the direct use of gas by New Zealand households and small business. See thebeautyofgas.co.nz

GET NATURAL GAS CONNECTED FOR FREE

Households keen to connect to natural gas on the Powerco network are being 'shouted' a free connection through the company's brand, The Gas Hub.

The Gas Hub spokesperson, Mark Hermann, says the initiative is designed to break down the 'too hard' barrier that many consumers experience when it comes to connecting to natural gas.

"It's an unfortunate misconception that we're very keen to dispel," Mark says.

"Initiatives like this demonstrate to consumers that natural gas is a very viable and convenient option."

The Gas Hub is offering free connections to householders whose gas meters are within 40 metres of the Powerco gas main in the street.

The deal is worth upwards of \$2000 and, according to the company's statistics, it's accessible to 95 percent of all households on the Powerco network, Mark says.

The only conditions are that the householders commit to installing either a gas hot water system or a gas central heating system, and that the access to their property is straight-forward with soft soil conditions.

To further sweeten the pot, The Gas Hub is also offering residential customers a free 're-hang' or re-connection of a previously disconnected gas meter.

"It's all part of industry efforts to grow the direct use gas market," Mark says.

"Expanding the direct use of gas by the residential sector creates significant strategic advantages for the country's energy supply systems as a whole, and it benefits consumers financially."

FOLLOW US ON TWITTER

Do you tweet or Twitter? Seems everyone does these days. So Gas New Zealand decided to jump on the band wagon. If you have a Twitter account, be sure to follow us [@BeautyOfGas](https://twitter.com/BeautyOfGas).

By following us you'll gain access to a steady stream of useful information, comment, case studies, articles, videos, photos and facts about LPG and natural gas.

Although we're new to this Twitter game, we've been around long enough to know nobody likes to be talked at. So get involved and post your own stories and queries. We'll respond to all user questions and can help you get connected or as some would say... 'cooking with gas'.

By following [@BeautyOfGas](https://twitter.com/BeautyOfGas) you'll learn more about the cost saving and environmental benefits of using LPG and natural gas as a heating and cooking source. Plus, you'll see why the direct use of gas is a sensible and viable alternative to increasing electricity use throughout New Zealand.

Follow us and together we'll bust myths that gas is 'too hard' compared to electricity!



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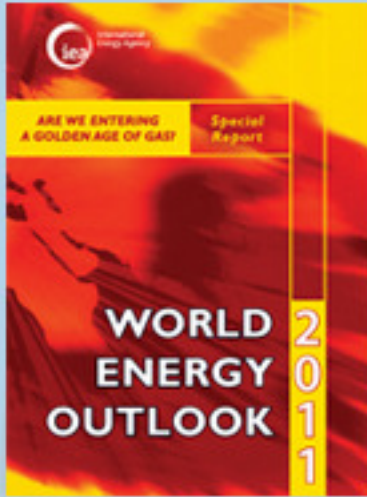
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NATURAL GAS VEHICLE POLICY ASSUMPTIONS INTRODUCED

30 million to 186 million NGVs by 2035.

The International Energy Agency (IEA) has released a Special Report that highlights a very bright future for natural gas.

The agency's report is entitled *Are We Entering a Golden Age of Gas?*



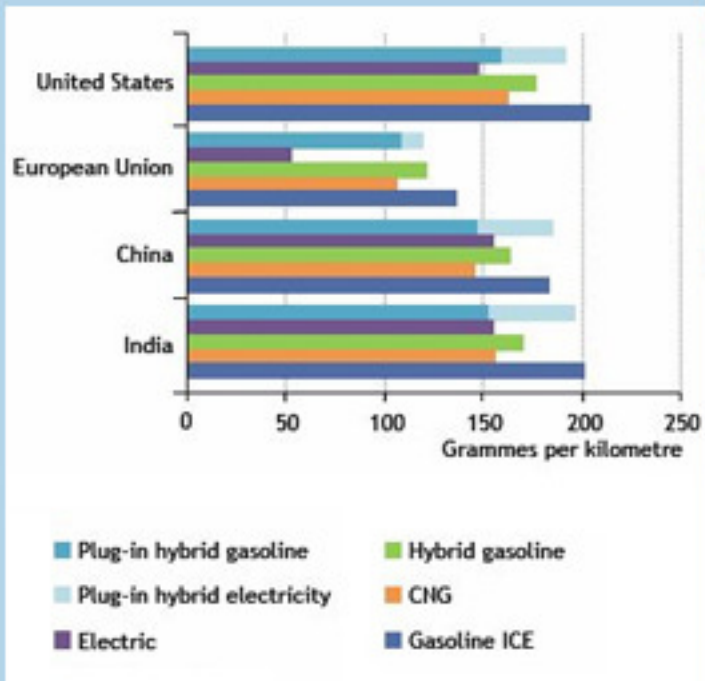
The report considers the role natural gas has to play in light of improved near-term and longer term supply, challenging issues faced by mainstream fuels, the strength of the post-crisis natural gas market and the role natural gas could play in facilitating a low-carbon energy economy and in improving local air quality.

Natural gas fuel for transportation is incorporated for the first time into various policy assumptions and scenarios considered.

The report states that CNG vehicles may emit less CO₂ per km than electric vehicles (EV) and plug-in hybrid vehicles (PHEV), depending on the fuels used to produce electricity.

"In 2020, CNG cars are expected to emit less CO₂ per km than PHEVs in all regions shown in Figure 3.7, assuming 10% of the vehicle-kilometres of PHEVs is electrically driven," the report says.

Below: CO₂ emissions from new vehicles in the GAS Scenario, 2020.



LPG USED TO POWER HYBRID 'SMART HOUSE'

LPG is one of the energy sources of choice for a Cambridge man who has designed and built a hybrid smart home that can operate completely off-grid.

Allan Nicholson featured in a Dominion Post article recently after he and wife Sally debuted their smart house at the Fieldays.

The paper reported that over 5,000 people visited the show home over four days and the couple received 750 inquiry forms.

The smart home is powered by a combination of solar panels, LPG, a back-up diesel generator and a deep cycle battery bank.

People can also link to satellite phone and broadband connections that Mr Nicholson says cost a fraction of the price charged to connect to major networks.

The inspiration for the three bedroom house, which costs \$143,000 + GST, came from the Christchurch earthquakes after which people were without power and water.

"I think we've pulled something together that really solves those problems," Mr Nicholson said.

GAS NZ LAUNCHES NEW WEBSITE

Gas New Zealand has launched a new website to help promote the use of LPG and natural gas to Kiwis.



The site was launched earlier in May and works as a 'one stop shop' for consumer information about gas. Viewers will find frequently asked questions and the latest media releases, along with information on how to get connected.

Gas NZ spokesperson, Ray Ferner, says using natural gas and LPG as a direct energy source offers numerous cost, environmental and energy efficiency benefits.

He said the new website makes this information more accessible to the public.

"Gas New Zealand hopes to educate consumers and policy makers about the many advantages of making wider use of this strategic energy asset."

Ray says New Zealanders need to understand that gas is affordable, reliable, efficient, safe, accessible and a great environmental choice. It provides a warm, healthy, happy home.

"That's the beauty of gas."

Visit www.thebeautyofgas.co.nz for more information.

GAS NZ FORUM BREAKS NEW GROUND

In a first-time-ever move, this year's LPG industry Forum will be held in conjunction with the Gas Association of NZ (GANZ).

The Forum will be held at Taupo's Wairaki Resort.

It has already been announced that the New Zealand Institute of Gas Engineers (NZIGE) will partner the LPGA at the 2011 event, but confirmation has now been received that GANZ will also be an active partner.

"This is very good news," LPGA Executive Director, Peter Gilbert, said.

"It means we can really run a pan-gas industry conference that will be relevant to a broad cross-section of gas industry participants."

In another break with tradition, the event, which is normally a two day Forum, will start on October 19 in the afternoon and conclude on the 21st.

The slightly earlier start will provide time for the delivery of technical papers and workshops that will interest NZIGE members predominantly.

Peter says the usual selection of social and leisure activities will be on the Forum schedule.

FLAT TANK MAKES BREAKTHROUGH

A lawnmower mechanic is on the verge of a major automotive breakthrough that might just spark a renaissance in NZ in automotive LPG installations. Internationally, the deal's implications are massive.

Peter Ellmers and his Auckland-based company Propane Performance Industries (PPI) have spent eight years developing a flat automotive LPG tank, the designs for which they have sold to an Australian car manufacturer.

The flat tank takes up much less room than the traditional cylindrical tanks and the deal could be major league for the venture's Kiwi backers, sparking interest from other large manufacturers searching for alternative fuel technologies.

The car company, which cannot yet be identified because of a confidentiality agreement, will incorporate the new flat tank into a range of LPG-dedicated large cars that will be launched soon.

Peter said testing showed the vehicles using the new tank could go 850km on one tank of LPG at a cost of about A\$40, without any loss in performance.

Once production starts in July, PPI's Chinese manufacturers will turn out 80 tanks a day.

The technology was developed by an American munitions and rocket motor manufacturer.

Peter, who started his working life in the family lawnmower business on Wellington's Cuba St, went to see them after reading about the flat tank on its website - and came away with the world rights to commercialise it.

There followed years of testing and a lot of cash turning the technology into a commercial proposition.

The American company sent equipment needed to make the first design tanks to Brisbane boatbuilder Guy Obren, an old friend of Peter, and an investor in the business.

The Australian deal was a major stepping stone for PPI because it meant other car companies would now understand its robust design. The investment had been huge, Ellmers said. "You've just got to be convinced about the whole thing."



GasLine 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 by telephone (04) 914 1765, fax (04) 914 1766, or mail PO Box 1776, Wellington.

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