ANNUAL REPORT

2023



*GASNZ

Message from the Chair

Tēnā tatou katoa

January 26, 2023 was a red-letter day for the future of gas. The LPG Association (LPGA) and the Gas Association of New Zealand voted unanimously to establish a new association to represent our shared interests.

Our combined legacies run long and deep. Established in 1977 and 1909 respectively, between them the organisations have been supporting the gas sector in Aotearoa for over 100 years.

Today, with new gas fuels being developed, renewable gases and low carbon gases are set to be a key part of our future energy system and integral to a sustainable future; the merger supports this new future for gas and forms a collaboration that will stand us in good stead for the decades ahead.

We laid the groundwork for the merger in the previous year by creating a GasNZ brand and strategy, squarely focused on maximising the role gas plays in delivering a net zero carbon future for New Zealand and providing a single and consistent voice for all gas fuels (LPG, natural gas, renewable gases, and hydrogen).

The vote on 26 January completed this change.

Mergers had been suggested before but failed. This year, our members confirmed they were ready for change, and they were enthusiastic about welcoming more renewable gas and hydrogen gas members into our

association. Achieving this shift has been the highlight of my tenure as chair of our association.

The new organisation took effect on 1 April. 2023, the first day of our new financial year. I look forward to navigating this new future together.

As the Future Sure campaign says: "There's renewed confidence in gas energy".

GasNZ's aim is to support the gas sector by giving New Zealanders confidence that LPG and natural gas will continue to be delivered to consumers while we make new renewable gas options available to help gas users reduce their emissions. Gas truly is a fuel in transition.

This year has delivered the foundation necessary for us to deliver. Gas energy has a bright future.

Ngā mihi koutou katoa

Ben Gerritsen Chair. GasNZ

Message from the Chief Executive



Kia ora koutou katoa

The 31st of March 2023 marked the end of this year's reporting period, and also 18 months in my role as chief executive.

I am delighted to have been there to guide and support the sector as we embedded our single strategy across the LPG Association and the Gas Association of New Zealand, paving the way for the merger and a renewed energy for the future of gas.

When I reflect on the last year, our progress has been clear. Regardless of members' individual interests, we are finding the commonality in what we do and what we want, and together are delivering vision for the future for gas that is much lower carbon than we have today.

In addition to the shift in strategy, the last year has also seen a shift in how we operate internally and how we are seen.

We appointed an office manager and created a role for a full-time communications manager. We were sought after for conferences locally and internationally and were a key player in keeping the focus on gas as a fuel in transition as government considered its gas transition plan, and we upped our media profile.

We welcomed our first renewable gas members, Ecogas and H2X, and we are well on our way to establishing ourselves as the single and united voice for gas that is agile, inclusive and progressive.

Alongside all the change, our technical committees have continued their excellent work on gas and LPG standards, and as a result we continue to be the primary body working with government on delivering the standards necessary to ensure gas remains safe, efficient and affordable for years to come.

Lastly. I was delighted to be able to deliver the 2022 GasNZ Gas Forum after three postponements due to COVID. And it was especially exciting this year to be able to provide a field trip to our country's newest biogas plant, Ecogas's organics processing facility in Reporoa.

Thank you all for your support in what has been a phenomenal year.

Ngā mihi nui

Chief Executive, GasNZ

Governance

GasNZ Interim Board at March 2023

[Executive elected at 2022 Annual General Meeting and continued as interim GasNZ Board until June 2023 elections]

Ben Gerritsen, Chair

Albert de Geest, Liquigas, Deputy Chair

Board members

Robert Bruce, OMV

Brett Miller, Gameco

Neil Williams, Ongas

Nick Hannan, Elgas

Neil Crookes, Genesis

Ray Ferner, Rinnai NZ.

GasNZ activity 2023

Merger

On 16th February the Companies Office accepted the name change for the Liquefied Petroleum Gas Association to GasNZ incorporated and accepted its new constitution accounting for the broader gas membership and allowing The Gas Association of New Zealand, and other gas members to join GasNZ.

LPGA stopped trading as the LPG Association and The Gas Association of New Zealand (GANZ) ceased activities on 31st March 2023. All the GANZ members, at the time of the merger, joined GasNZ on 1 April 2023.

The new GasNZ entity continues to provide technical support and LPG and natural gas specific workstreams but also delivers a work programme that supports the breadth of gas opportunities, and a new communications and advocacy function.

The terms of the merger required that the three Gas Association of New Zealand board committees transfer to GasNZ on 1 April 2023. Accordingly, the Gas Equipment and Appliance Committee, the Gas Training Committee and the Gas Technical Advisory Group are now GasNZ committees and their work programme will be covered in the GasNZ 2024 annual report.

While GasNZ is not required to report on these committees in this annual report, a snapshot of GANZ's committee work over the last year is included in the technical committee section, pages 9–10, as our current members will be interested in their work programme.



Te Aō Hurihuri, Gas Forum 2022, Wairakei Hotel.

Successful GasNZ Forum 2022

GasNZ Forum 2022 was held in Taupo after several COVID postponements and focussed on broadening expectations about the future of gas. With a new theme and programme, the much-anticipated two-day conference was held in October 2022.

The theme "Te Aō Hurihuri – The changing world and the future of gas" – reflected the new strategy for GasNZ.

It focussed on the spectrum of gas, and addressed the need for continued LPG and natural gas as well as the renewable gases the industry intends to bring New Zealand homes and businesses in the future.

Delegates also visited Ecogas's Reporoa organics processing facility – the largest food waste processing facility in New Zealand and the country's first utility scale anaerobic digestion facility to take organic waste to produce biogas and other products.

The Ecogas field trip to the biogas plant was well attended, and delegates appreciated the opportunity to see the facility just weeks after its opening.

Public statement of support from the Minister for Energy and Resources for renewable gas

Minister for Energy and Resources, Hon Megan Woods' opening statement at the Gas Forum 2022 endorsed GasNZ's renewable gas strategy and served as a public statement of her support for renewable gas.

This is something GasNZ sought from the Minister a year ago so it is pleasing that we have this statement on record. The Minister was happy for GasNZ to share the video publicly, and it is available on the GasNZ website.

Cyclone response

The devastation and response to Cyclone Gabrielle this year underscored the significance of LPG in times of crisis.

Causing widespread power outages in Te Tairāwhiti and Hawkes Bay, leaving many without electricity for an extended period of time, the LPG sector offered support by donating 9kg LPG bottles, portable gas cookers, and butane canisters to the most remote parts of the region.

GasNZ established a Cyclone Ops team, co-ordinated by Craig Crocombe, Vector, and was able to get the gas and appliances out quickly and safely.

LPG is playing a vital role as a versatile, mobile fuel for cooking and water heating, and will continue to do so in the ongoing recovery.



Bob's Gas using a four-wheel drive to get LPG cylinders to parts of Te Tairāwhiti inaccessible to normal delivery trucks.

Renewable gas tour of Australia

On 1 April a group of 22 GasNZ members, government and industry stakeholders embarked on a study tour of Australia.

Visiting projects in five states over five days, the objective of the tour was to understand more about the breadth of renewable gas opportunities and to consider what could be applied in Aotearoa, New Zealand.

The tour was a valuable experience for GasNZ and for delegates, who shared their key insights:

- Major potential to extract value out of waste and waste disposal.
- The first leader disadvantage is real and we need to break through that to get initial projects off the ground.
- Green electricity certificates, solar subsidies and the ARENA fund have had a significant impact on stimulating investment in Australia.
- Australia's priority is lowering the emissions from electricity and that is driving their business case for biogas.
- The circular economy and energy environment are key drivers for both our countries.
- Projects were completed in a relatively fast timeframe with no mention of consent difficulties.
 It seemed the regulators were onboard with the changes and did what was necessary to enable them.
- There is significant potential to work with Australian companies to get projects off the ground in New Zealand.

Our first renewable gas members

New Zealand companies are recognising the benefits of belonging to a collective that is future-focussed and the opportunities the association provides to collaborate with like-minded businesses.

GasNZ (via the Gas Association membership prior to merger) was delighted to welcome its first renewable gas companies: Biogas company Ecogas and hydrogen start-up H2X to GasNZ.



LPG Week, New Delhi, Energy Transition Panel.

Global profile

LPG Week, Delhi

GasNZ was invited as a speaker – for three sessions – at the 2022 global LPG Week, Delhi, on the New Zealand gas transition. Chief executive Janet Carson also featured in the World LPG Association's (WLPGA) annual report as a follow up to the conference, increasing GasNZ's global profile and marking the first time New Zealand has featured in the world report.

Carson was also made a Global Ambassador for Women in LPG by the WLPGA which in addition to playing a support role for women in the industry, ensures a profile on New Zealand LPG activities at a global scale.

Gas Energy Australia Forum

Key connections were made at the LPG and bioenergy sector at the Gas Energy Australia Forum in March. These networks have led directly to future collaborations (such as the Australian renewable gas tour), and are consolidating our credentials as future-focussed and leaders in renewable gas and the gas transition, while maintaining a focus on natural gas and LPG while we make the shift.



Government Relations and Regulatory Affairs

GasNZ participated in consultations, and had a full programme of engagement with government officials and ministers across the year.

Transforming Recycling Submission

We submitted to the Ministry for the Environment on the Transforming Recycling proposal, supporting the ministry's phased proposals to make kerbside food scraps collection available in urban areas and for businesses to separate their food waste as well as answering specific questions on these issues.

Gas Transition Plan

We worked with government and industry to influence the Gas Transition Plan. Notably, we delivered an independent report jointly commissioned by GasNZ, Energy Resources Aotearoa, and the Major Gas Users Group Inc to inform the gas sector's input into the government's Gas Transition Plan.

The report, 2035/2050 Vision for Gas, by Castalia, shows that gas in all its forms has a key role delivering New Zealand's transition to a net zero emissions economy and warned that Kiwi households and businesses could face more than \$7 billion in additional energy costs over the next 12 years if government actions force an early move away from natural gas.

The report found that as natural gas demand declines, carbon capture, utilisation, and storage (CCUS) and shifting to renewable gases will ensure reliable, affordable energy for all New Zealanders and help meet the country's carbon reduction goals.

The independent report was jointly commissioned by Energy Resources Aotearoa, GasNZ, and the Major Gas Users Group Inc to inform the gas sector's input into the government's Gas Transition Plan.



Achieved strong and consistent media coverage

Media mentions by GasNZ doubled from April 2022 to March 2023 and we are now averaging six stories a quarter across energy, business and consumer publications.





Lifted the profile of gas through an active speaking programme

Through conferences and external board presentations, we raised awareness of who we are and built credibility as an influences in the future of gas – and gained support from people who can help us.



Appointed a communications manager

This will continue to ensure effective external communications and, importantly, strengthen our member communications.



Future Sure continued through 2022/23

Building on the success of the 2021 Future Sure campaign, we extended the campaign for two more years. The aim of this year's phase was to keep raising awareness of the future of renewable gas as we work with government on the Gas Transition Plan and National Energy Strategy.

We are building on the brand value and gains made during the Future Sure campaign, continuing to give New Zealanders confidence in the future of gas so they can confidently choose gas for their homes and businesses.

The campaign was digital only, no billboards or print advertisements this round.

There will be advertising and search optimisation, increasing the chance of anyone looking for info on future gas topics to be directed to our social media posts and the Future Sure website.

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

Future Sure campaign digitial advertising (www.futurersure.co.nz)



AND WARM.

AND NICELY COOKED.



IF YOU THINK GAS IS A THING OF THE PAST, THINK AGAIN.



A NEW KINDA GAS.
KINDER TO THE PLANET.

Health and Safety Committee

Louisa George, Interim Health and Safety Committee Chair

The GasNZ Health and Safety Committee has enjoyed a refresh this year with the addition of four new contributors to the committee, joining us from the operational areas of our businesses.



We sadly farewelled Rachael Morris, former chair, who has left the industry. Rachael's leadership and drive over the years that she has led the committee has been tremendous and we wish her the very best for her new role.

We worked on an industry guide to support safe end-of-life gas cylinder management at waste transfer and refuse stations. The committee worked with Rick Thorpe from Xtreme Zero Waste to provide contemporary, user-friendly guidance with a focus on reducing the risk of residual LPG exposure and improved safety outcomes.

Other workstreams on the go included an update to the customer switching protocols, including how to best manage cylinder returns when customers move from one provider to another. And we worked together to prevent the breach of location certification compliance when customers are 'switching'.

The team has continued to share safety incidents and alerts from across the industry. An increased focus on customer site safety has prompted two new work programmes from within the group. The first initiative is to review and propose updated site access requirements to sections within the Industry Codes of Practice 2 and 5. The second initiative is to review and update guidance for the inspections of 100 to 300kg LPG installations. Both of these initiatives will be completed over the 2024 year.



GASNZ Technical Committees

LPG Technical Committee

Rachel Cleaver, Chair

The LPG technical committee has continued to collaborate with industry regulators and provide advice and technical support to the LPG industry.



The committee is currently in discussion with WorkSafe regarding a significant change of interpretation to a clause in the Health and Safety at Work (hazardous substances) Regulations 2017 relating to vaporiser approvals. This equipment has been approved for use in New Zealand since 1978 and the technical committee continues to support the equipment importer with respect to a sustainable solution for the New Zealand industry.

The committee has increased its involvement with WorkSafe's high hazards unit LPG working group in the past year, with the aim of improving standardisation and applying learnings where a collective approach is possible. One example of benefit to industry is the recent collaboration between WorkSafe, FENZ and industry participants, including site visits in Christchurch.

The other significant piece of work for the committee this year was the revision of AS/NZS1596: the Storage and Handling of LP Gas.

Rowan Smith, Peter Gilbert and Rachel Cleaver sit on the review committee for this joint Australian-New Zealand standard. This committee is influential in the industry, particularly in cases where the regulations are ether silent or ambiguous. Its outputs are often used as a guide to best practice for major hazard facilities by WorkSafe high hazards unit inspectors.

The LPG technical committee meets regularly alongside WorkSafe's representative on the review committee to discuss the New Zealand specific clauses and updates to the standard. This project is ongoing, and the LPG industry anticipates that, once finalised, this work will form the basis of technical compliance in New Zealand legislation.

Under the guidance of our board sponsor, Albert de Geest, the technical committee looks to the coming year ready to provide our continued support to the LPG industry.



Gas Association of New Zealand Technical Committees

The GANZ committees became part of GasNZ on 1 April 2023.

Technical Advisory Group (TAG)

Bruce Monk, Chair

The TAG continued to work collaboratively to investigate and adopt technical solutions to help standardise equipment and materials across industry.

As part of this, members of the TAG participated in the review and development of industry standards applicable to gas distribution and gas metering businesses.

Further, with the journey to renewable gases underway, the group has participated on standards committees to enable the future introduction of biomethane and hydrogen gases.

Continuing with a cost-effective, safe gas supply, the TAG agreed on the adoption of a different manufacturing option for the polyethylene pipe currently used in the industry. This will be rolled out later in the calendar year.

Gas Equipment and Suppliers Committee (GES)

Ray Ferner, Chair

The GES has had a productive year, continuing to deliver its work on equipment and appliance standards, and ongoing engagement with WorkSafe on appliance and installation safety issues. Through Rinnai, hydrogen and DME testing has been underway blended with LPG to test performance and safety as renewable gases are added to the energy system. And the committee has continued its drive for new members, resulting in AHM Australia joining GasNZ.

Revision of AG-001 and AG-006

Work on these standards continues and has been a key and time-consuming effort over the last year, particularly regarding proposed amendments AS/NZS 5263 parts 1 and 2 and the AS/NZS 5601 suite of standards.

Positive early testing results: LPG/DME and Hydrogen

Testing of LPG/DME mix has shown effects on appliance operation greater than expected, given overseas' testing results. Rinnai had requested that the composition of the LPG/DME mixes they had used be tested to ensure accuracy. This is now being done. Further testing will be done when the content of the mixed test gases is confirmed.

The hydrogen/natural gas blend tests Rinnai had carried out had resulted in very minor changes in combustion and burner behaviour with hydrogen content of 10% and 15%. Even at 20% the effects were minor and would not be significant on the appliance tested (continuous flow water heater, cooktop, space heater, and several gas fireplaces).

New regulations for LPG regulators, type 27

The "Health and Safety at Work (Hazardous Substances - Specification of Standard for Valve Inlet Connections of LPG Regulators) Safe Work Instrument 2023" has been approved by the Minister for Workplace Relations and Safety, and will take effect from 25 September 2023.

The safe work instrument (SWI) has been published on the WorkSafe website:

Specification of Standard for Valve Inlet Connections of LPG Regulators Safe Work Instrument 2023 | WorkSafe

A summary of the submissions has also been published:

Proposed standard for valve inlet connections of LPG regulators safe work instrument | WorkSafe

Lastly, we acknowledge and thank Gregg Brown, Managing Director, Aber Holdings Ltd, for his relentless work as chair of the GES committee. There is never a shortage of emerging matters and Gregg consistently prioritises time to advise, direct and chair the committee, and to guide the progress the committee makes year after year.

Gas Training Committee

Graham Alexander, Chair

The Gas Training Committee continued its work to support the transition from a suite of fifteen national certificates in gas qualifications to three New Zealand certificates in reticulated gas, together with the implementation of a revised certificate of competence protocol.

NZ Certificate in Reticulated Pipelines Level 3 qualification.

There are approximately 50 current enrolments for this qualification. The first completions of this qualification were achieved by several learners this year.

• NZ Certificate in Reticulated Pipelines Level 4 qualification.

The committee has developed a programme for this qualification to be made available to learners who have completed the level 3 qualification. It is hoped that the programme will be submitted to NZQA for approval by the end of 2023.

NZ Certificate in Reticulated Gas Level 5 qualification.

The committee revised the original level 5 qualification to make it more relevant to industry needs, and this was approved by NZQA during the year.

Certificate of Competence Protocol (CoC)

The revised CoC protocol continued to be implemented during the year, commensurate to the availability of learning and assessment resources for the unit standards within the protocol.

A separate steam of work by the committee has focused on establishing a CoC protocol based on NZQA micro-credentials. The committee is working with Waihanga-Ara-Rau to develop an application for submission to NZQA by the end of 2023.

Learning and Assessment Resources

Te Pūkenga/MITO supported the development of learning and assessment resources for fourteen unit standards that are in the CoC protocol and level 4 reticulated pipelines qualification. These resources were drafted during the year with support and input from the Gas Training Committee.

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

Metro Gas

North Harbour Hire Ltd Porirua Cylinder Testing

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

McIvor Plumbing and Gasfitters

TRANSPORTER

Alexander Group Bulk Energy NZ

Lowes Industries

Geogas Trading Ltd
Uhlenberg Haulage Ltd

ASSOCIATE MEMBER

Aber Holdings

AECOM

Approved Compliance Certifiers

Bromic NZ EMS Ltd

Fiji Gas

Galpro Stylex

Hale & Twomey Ltd

Heatrite

Nationwide Fire Protection

SGS NZ Ltd

GasNZ members via Gas Association of New Zealand (GANZ)

(Including GANZ members as we have shared the same GasNZ strategy for the 2022/2023 year and in January 2023 they unanimously voted to merge with the LPGA, forming the GasNZ entity, and formally amalgamating on 1 April 2023.)

Aber

All Controls (NZ) Ltd

Bosch NZ Camec NZ

Combustion Control

Contact Energy Custom Controls

Downer Tenix

Ecogas

Electrix Envirogroup

ESCEA Firstgas

Fisher & Paykel Appliances

Galpro Stylex GasNet Genesis

H2X Intellihub

Moffat Nova Energy

Powerco Rheem NZ

Rinnai NZ

S I T Gas Controls PTY

Society of Master Plumbers & Gasfitters

System Control Engineering

Thomas Plumbing

VaporGas Equipment

Vector

Waters & Farr



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