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Media Release

World LPG Day and the future of LPG

Source: GasNZ

In addition to BBQs, caravans and campervans, New Zealand has nearly 266,000 thousand residential LPG connections and 25,560 commercial connections, covering commercial uses in kitchens restaurants, cafes, clubs, fish and chip shops, marae, hospitals and schools. Based on average household size, more than one million New Zealanders directly rely on LPG every day for cooking, hot water and/or heating.

Carson says that the Climate Change Commission's draft recommendation to ban new gas connections, if finalised, would unnecessarily limit energy choices for New Zealanders in the future.

"Rather than bans, let's encourage investment in renewable gas, made from waste.

"Australia is on track to be a renewable energy superpower, this will benefit New Zealand, but we will get left behind if we see electricity as our only renewable option. We can have both," Carson says.

Renewable LPG (rLPG) is estimated to be in the Australian market as soon as 2025 and is scheduled to replace all conventional LPG supply by 2045, according to Gas Energy Australia Chief Executive Brett Heffernan*. At this stage renewable dimethyl ether (rDME) has emerged as the most promising option for decarbonising LPG in New Zealand.

Transition research "Exploring short term renewable LPG/DME production for NZ" by energy and engineering consultants, Worley, outlined in 2021 how New Zealand could transition to renewable LPG alternatives by 2035. The main finding was that there is a clear option for decarbonising LPG in New Zealand, by way of second generation rDME, utilising waste.

"The report signposts where we need to be putting our effort as a sector. DME is a methanol derivative, which can be used directly as a liquid fuel or blended with LPG as an LPG substitute. Renewable DME has the same use but is made from renewable feedstock such as dairy manure.

"The second generation conversion technologies, using waste such as dairy manure, broken down through anaerobic digestion, producing biogas and processed into rDME and rLPG, provide a viable pathway for New Zealand.

"With several rDME plants emerging globally we have examples to learn from and adapt to our environment, and it is this pathway that is most feasible in New Zealand in the short term.

“Testing of blending DME and LPG in New Zealand by Rinnai started last year. We are keen to build a partnership with Government to develop and deploy renewable gases and see the Gas Transition plan as key to this.

“We have the capital and the skills required and are committed to working with government policy choices to deliver on the potential of renewable gas here in Aotearoa” she said.

ENDS

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