

GASLINE FEBRUARY ISSUE

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GASLINE is published by Gas NZ. Gas NZ represents the LPG and Gas Associations of New Zealand. Gas NZ members include the country's major LPG companies, gas and LPG wholesalers, retailers, and distributors, and gas and LPG appliance businesses nationwide.

DECARBONISING LPG

On the back of the second phase of the [Worley research](#) released last month indicating that rDME is the most feasible pathway to decarbonise LPG in New Zealand, Gas NZ member, Elgas, is importing DME from its company in Australia, to test appliance compatibility with DME blends in New Zealand.

DME is a methanol derivative, which can be used directly as a liquid fuel or blended with LPG as an LPG substitute. Renewable DME (rDME) has the same use as DME but is made from renewable feedstock such as dairy manure. The conversion process uses waste such as dairy manure, broken down through anaerobic digestion, producing biogas which can be further processed into both rDME and rLPG.

Gas NZ Chief Executive, Janet Carson says the testing is being led by Rinnai, who will test appliances for functionality, flame stability, ignition and combustion, to see how we can expect those appliances to perform with renewable gases in the future. A third party is testing to see how these gases affect gas valves and regulators.

Rinnai is currently trialling hydrogen blends of 15%, and start testing (this month) DME blends of 20%. Further testing with higher concentrations will also be done as well as specific component durability tests.

The testing will be ongoing until the expectations necessary to have net zero gases included in current gas regulations are met, to ensure renewable gases can be recognised, measured and brought to market.

"LPG is relied on by many New Zealanders. With natural gas unable to reach the South Island, and parts of the North Island, LPG provides essential energy for heating and cooking for homes and businesses. To get more renewable projects beyond concept stage, a regulatory environment that includes renewable gases is vital", Janet says.

Piped Gas Network Charges Consultation

The Commerce Commission is seeking views on its draft decision, proposing pipeline operators should be able to earn higher revenues in the next few years.

Gas NZ supports this proposal. New Zealand's piped gas network will need to be maintained and further upgraded to supply New Zealand homes and businesses with the green gases of the future.

The Commerce Commission says climate change considerations needed to be taken into account in allowable profits. Associate Commissioner Vhari McWha says the pricing reset said the reset of the price-quality path this year brought unique challenges in the context of climate change and the transition to a low carbon economy.

"Our proposed decision means that gas pipeline businesses should continue to invest to deliver a safe and reliable supply over the short-term until the long-term future of natural gas use in New Zealand becomes clearer," Vhari said.

There will be many factors to take into account. The gas sector expects to be able to introduce biogas into the current gas network before 2025. Late last year, Firstgas confirmed its plan to inject upgraded biogas into existing networks from a food waste processing facility that is currently being built in Reporoa.

The Prime Minister, in her opening speech to Parliament in February, reiterated her commitment to developing a green hydrogen industry in New Zealand and working to ensure the country is well-positioned to produce green hydrogen at scale.

The Commission proposes to set the price-quality path for four years - the shortest period allowed by the Act - instead of the normal five. The Commerce Commission hoped to have a clearer view of the longer-term future of natural gas in four years, including the feasibility of repurposing pipelines for low or no carbon gases like hydrogen.

Māui Project Completed Safely And In Record Time

Firstgas completed at the end of January all works associated with the Maui Pipeline Tie-ins project, in just over half the time they had allowed for the project. Having initially planned on taking 55-hours for this complex engineering, the work was completed safely within 30 hours – a testament to the crews on the job and everyone involved in the planning over previous months and years.

Helping to ensure the ensuring the ongoing reliability and integrity of New Zealand's gas transmission system, the project involved:

- Realigning the Maui Pipeline at Gilbert Stream because of the risk posed by coastal erosion; and
- Removing a temporary bypass installed around a section of Maui Pipeline at Pairoa impacted by land movement and implementing a permanent repair.

Congratulations to all involved.

US Research Not Applicable In NZ

For those who read media coverage this month on research from the United States (US) on leakage rates from gas ovens, you can be assured that such rates would not apply in New Zealand, says Ray Ferner, Chief Executive of major gas appliance company, Rinnai NZ.

In New Zealand, all gas installations and appliances are covered by clear standards and strict compliance regulations to ensure safety.

"The New Zealand industry would simply not accept the leakage rate indicated in the US research- and given our standards and regulatory regime, quality of appliances and testing regimes, we would not expect the results to be applicable here.

"All hobs manufactured by Rinnai, well over 15 million units each year, are thoroughly tested for leakage. I have witnessed the manufacture and testing on numerous occasions. As appliances are produced, each individual gas control is tested with compressed air, then when appliance is complete it is retested in full with gas" he says.

Jones Services, service and repair kitchen appliances throughout New Zealand daily. Jones Services National Gas Expert, Ron Heywood who has been in the gas industry for over 40 years as a practitioner, educator and industry expert says they hardly ever come across leaking gas cooking appliances.

"On the rare occasion when leaks are detected, it is fractional only and generally from appliances 10 years or older that have not been serviced."

"There are strict regulations regards odourising gas in New Zealand ensuring that gas can be smelt, identified and any problem repaired quickly; and whether New Zealanders are putting in a gas heater, fireplace, water heating, oven, cooktop or heating system, it is mandatory they are fitted by a licensed gasfitter," he said.

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