



St Vincent de Paul Society

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St Vincent de Paul Society, Victoria Submission to the Victoria Gas substitution roadmap consultation paper

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To whom it may concern,

The St Vincent de Paul Society Victoria welcomes the opportunity to make a submission to the Victorian government's gas substitution roadmap consultation paper. We support the development of a gas substitution plan particularly as Victorian households rely significantly on reticulated natural gas as a heating source.

While affordable and scalable renewable alternatives to natural gas are yet to reveal themselves, there are potential opportunities that we believe should be explored including hydrogen made from renewable energy sources and bio gas / Bio methane. We believe that it is important to explore these possibilities before we start to decommission the gas network; in this way, keeping open options that allow opportunities for renewable alternatives to the current fuel source.

However, with this in mind, we do believe it would be pertinent for Government to develop policies that support the potential for the decommissioning or significant switch away from the reticulated gas network for domestic heating. We believe that there are two major policy categories to consider; firstly, the gas network regulatory framework and secondly, complimentary policy measures.

Regulatory frameworks

Victorians have made significant long-term investments in the current natural gas infrastructure. As such, consideration should be given to the need for, timing of and, appropriate path for accelerated depreciation of the current gas assets. This is particularly important to ensure we don't burden future generations with costs they are not responsible for.

Furthermore, if renewable gas sources are injected into the gas network (in part or in full) we believe there should be strong regulatory guidelines and guidance around these injections, ensuring that the current service standards and fuel quality is maintained. Such guidance should also include a clear policy framework to support any household appliance change overs or fit outs needed. This should include where needed, the handling and disposal of legacy gas appliances.

Complementary policy measures

We also believe that the gas substitution roadmap must include a complementary strategy for the electricity system. In particular, ensuring that the current electricity system has the ability to take up, in whole or in part, the energy needs that were to be met by reticulated natural gas.

Such a strategy should not solely focus on building out the electricity system but should include strategies that reduce reliance on electricity infrastructure. Such strategies include: energy efficiency, network tariff and pricing reform (including by bi-directional pricing), a distributed energy integration framework and encouraging self-consumption for those household's small-scale generation / storage. Such strategies would not only increase electricity productivity - lowering costs for all consumers - it would also allow "space" within the electricity infrastructure to support an orderly transition from gas to electricity, if this required, whilst keeping costs to a minimum.



Regards

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