

Victoria's Gas Substitution Roadmap

Mornington Peninsula Shire Council

Submission



Position summary

The Mornington Peninsula Shire Council supports the Victorian Government's development of the proposed Gas Substitution Roadmap and any initiative that aids delivery of the Shire's adopted target of net zero community emissions by 2040, as part of [Ensuring Our Future: Our Climate Emergency Plan](#).

The Shire supports the balanced and evidence-based approach identified and is technology agnostic as to how net zero carbon is achieved. As noted within the Roadmap, there are significant uncertainties regarding the technology, infrastructure, cost and benefit and so the most prudent approach is to fully investigate each opportunity.

The Shire strongly advocates for urgent action to reach net zero emissions. There are solutions available today, to rapidly decarbonise our energy sector and investigating all opportunities should not preclude the necessity of urgent action today. The Shire therefore supports clear overarching gas emissions targets, and interim targets to guide the efforts required.

The price of gas is fluctuating and with demand changes and supply limitations of this finite resource, the prices are likely to continue to increase. In most cases, an all-electric home using efficient equipment is already cheaper to run than a dual-fuel home, a home connected to both electricity and gas. Please refer to page 46 [Flame Out: the future of natural gas, Grattan Institute 2020, and Household fuel choice in the National Energy Market, Alternative Technology Association 2018](#) for further supporting evidence the Shire is aware of.

The Shire's position is based on extensive community engagement over the last few years, most recently during the development of our Climate Emergency Plan in mid-2020. This Plan was on public exhibition for a five-week community consultation period. During this time extensive feedback was received including:

- 645 survey responses
- 21 detailed written responses
- two commissioned expert reports
- and other expert reports.

The community feedback regarding gas related references in the Climate Emergency Plan was consistent. It either supported the proposed working or requested stronger wording from 'limiting gas use' to 'phasing out gas'. As Council does not have the remit to do this, other than for our own buildings, the aspirational vision referred to as the 'View From the Top' was included in the Plan *... increase in renewable energy such as solar and wind power, phasing out gas and improving energy efficiency in our buildings*. This statement reflected community feedback and aspirations. There is a clear social mandate for a rapid decarbonisation of our energy grid and economy.

Additionally, in July 2021 Council was presented with a [Community Vision](#) wholly created by a representative Citizens Panel of community members. The vision strongly aligned to our Climate Emergency Plan, and aims for a sustainable, vibrant and prosperous future. More than 3000 responses from community members were received during the development of the Vision. The first principle of our Community Vision is Addressing Climate Change, to take a proactive stance on climate change through initiatives that support decarbonisation and renewable energy, with a set of given targets.

Our community shares the concerns outlined in the roadmap, specifically:

- that energy must be affordable, reliable and safe for all users, particularly following the extended power outages from recent storms

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- vulnerable populations and communities need to be included, e.g. via communications and programs aimed at reducing capital cost inequalities
- a fair and just transition for our community and businesses

Specific feedback

Further to the general comments above, the Shire would like to offer specific feedback:

Pathways

The pathways identified are fairly comprehensive, however there is a gap in action around behaviour change. This is a key step in the carbon mitigation hierarchy, where avoiding gas usage with associated emissions is the highest priority. The behaviour change would largely consist of community and business education programs, though there are significant opportunities in reviewing processes and procedures.

Improving energy efficiency

Investigation should be conducted into the ACT ['Minimum energy efficiency standards for rental homes'](#) model as a way of incentivising landlords from improving energy efficiency of rental properties. There are currently limited opportunities for renters to undertake this work.

Electrification

The key consideration 'Building and planning settings need to be reviewed to ensure they are able to embrace a rapidly changing energy mix and innovations in new technologies' should be strengthened, to reflect the key role that this plays in newly constructed houses and apartments. Currently it is cheaper to build a fully-electric home than using dual fuel (source: [Flame out... page 45](#) and Recommendation 1 of the Alternative Technology Association's ['Household fuel choice in the National Energy Market'](#) report)

Reference could be made to existing projects that support the path to zero carbon buildings, such as the Council Alliance for the Sustainable Built Environment's (CASBE) [Elevating Targets project](#), and the Department of Energy, Land, Water and Planning's [ESD roadmap](#).

Substituting natural gas with hydrogen

The Shire has a strong preference for producing green hydrogen over hydrogen from fossil fuels, due to the risks of failure associated with carbon capture and storage technology. Green hydrogen does not have these risks in reaching our commitment to net zero emissions by 2040.

Substituting natural gas with biogas

The Shire strongly recommends specifying that biogas and/or biomethane must be sourced from organic waste not new plant crops on strategic agricultural land that is suitable for grazing or growing food. With water- and food-security key risks of climate change, our energy source should not be designed to place further stress on this supply chain.

Key Issue 5: Managing uncertainty in the transition

The Shire supports the inclusion of all uncertainties listed, and notes that the Victorian government has a key role in reducing this risk by adopting clear, evidence based and transparent targets, including interim targets for each sector, to encourage industries to invest appropriately in the transition.

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Key Issue 6: Transitioning the Victorian economy efficiently and equitably

The Shire supports the inclusion of this as a key issue, particularly as it relates to the challenges facing renters, and low-income and vulnerable households. All solutions proposed should not widen any existing inequalities.

Yours sincerely,

A handwritten signature in black ink that reads "John Baker".

John Baker
Chief Executive Officer