



## Submission to the Essential Services Commission – Unaccounted for gas benchmarks review 2022

**(close for submissions 25 November 2022)**

**Lighter Footprints** is a community-based group that aims to influence Australian local, state and national decision makers to take the action necessary to halt global warming as a matter of urgency. For over a decade, we have educated, advocated and brought people together in Boroondara and surrounding suburbs to inform the community and promote a clean energy future. We have 3,200 people on our mailing list.

Lighter Footprints welcomes the opportunity to provide feedback on the Unaccounted for gas benchmarks review 2022. In summary:

- We support the six month roll-over of existing benchmarks to enable future benchmarks to be set on a financial year basis;
- We object to the roll over the existing UAFG benchmarks for the next 5 year period. We believe that the benchmarks for the next five years should be lower than existing benchmarks.

We believe that there are two reasons why the UAFG benchmarks should be lower than existing benchmarks in the next five year period. These reasons are:

- We believe that there is evidence that fugitive gas emissions in the coming period will be reducing and this evidence should be used resulting in smaller benchmarks (noting that leakage represents approximately 40% of UAFG); and
- Both our country and our state have made commitments to lower greenhouse gas emissions. This means that all of us should be doing our fair share to meet existing targets. The gas distribution businesses have the capability to contribute by reducing fugitive emissions and should be required to take action.

In the section below we substantiate these two points.

### Our justification for lower benchmarks

#### **Evidence that fugitive gas emissions will be reducing**

On 6 August 2021 the Australian Gas Infrastructure Group (AGIS) made a <sup>1</sup>submission to the Hon. Lily D'Ambrosio MP, Minister for Energy and Minister for Environment and Climate Action regarding the Victorian Gas substitution Roadmap (the Roadmap) in which they stated:

**In the short term, the gas networks can contribute materially to emissions reduction through the mains replacement programs which are reducing fugitive methane emissions**

We are investing to significantly reduce our emissions today. Mains Replacement Programs (MRP) in AGN and MGN have a significant effect on our fugitive emissions. The AGN MRP is scheduled for completion in 2022, with significant emissions

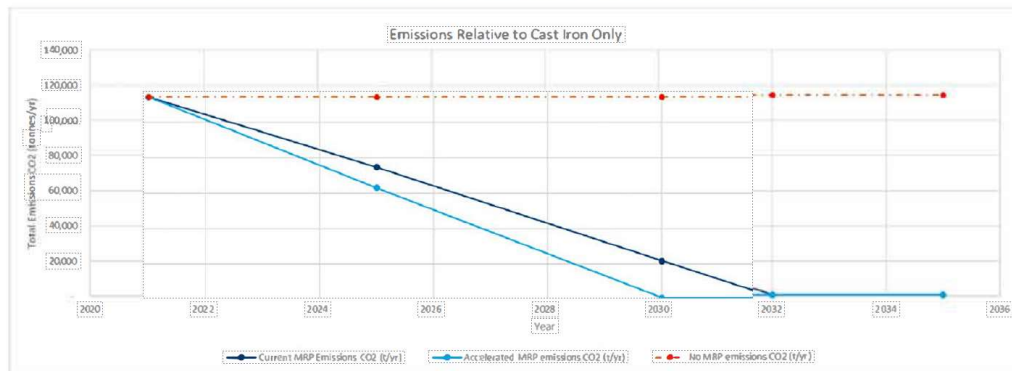
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<sup>1</sup> Refer media release <https://www.agig.com.au/media-release---vic-gas-substitution-roadmap>

reductions already achieved as a result. To give a sense of the scale of these programs, the ongoing MGN MRP, due for completion in 2032, could avoid cumulative scope 1 emissions by over 600,000 tonnes between now and 2032. Accelerating the MRP for completion before 2030 could add to this cumulative total by avoiding an additional 115,000 tonnes of CO<sub>2</sub>-e between now and 2032. Further detail is found in Attachment C.

In their submission AGIP provided the following tables showing reductions in fugitive emissions:

Figure 1: Estimated fugitive emissions reductions as a result of cast iron MRP for MGN



Source: AGIG analysis

Table 1: Estimated fugitive emissions reductions comparing current MRP, accelerated MRP and no MRP for MGN

We urge the Essential Services Commission to take this information into account and to produce revised (lower) UAFG benchmarks for the coming five year period.

### The gas industry doing its fair share

We have read the Victorian Government's recently published Gas Substitution<sup>2</sup>Roadmap (the Roadmap), which is the Victorian Government's strategic plan to support a coordinated and equitable transition to a decarbonised gas sector. In the Minister's foreword to this Roadmap the Hon. Lily D'Ambrosio MP, Minister for Energy and Minister for Environment and Climate Action stated that

"Victoria has set ambitious emissions reduction targets to halve emissions by 2030 as we transition to a net zero emissions economy by 2050. To achieve these targets we must cut emissions across the entire economy, including the gas sector".

Lighter Footprints is of the opinion that:

- significant reductions are necessary if the gas networks are to have a long term future; and
- the Essential Services Commission has a duty to ensure that the gas distribution companies doing their fair share in lowering greenhouse gas emissions and reducing the impacts of climate change.

Lighter Footprints believes that that part of UAFG that represents an allowance for

<sup>2</sup> <https://www.energy.vic.gov.au/renewable-energy/victorias-gas-substitution-roadmap>

fugitive emissions should be reduced in the coming five year period.

Lighter Footprints also intends to write to the Assistant Treasurer, the Minister for Energy and the Minister for Environment and Climate Action regarding the importance of Taking action on fugitive emissions once Victoria's new government is formed post the upcoming election.

**SUBMISSION BY:**

**Organisation name:** Lighter Footprints Inc.

This submission has been authorised by:

A handwritten signature in black ink, appearing to read 'David Strang'.

David Strang  
Convenor  
Lighter Footprints Energy Transition Group  
24 November 2022