

## Gas industry call for renewable gas mandate aligns with California partnership

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Gas NZ news statement, 30 May 2022



**Gas NZ supports the partnership deal to work together with California on climate change, which could open the door for a renewable gas mandate in New Zealand, as has been applied in California, says GasNZ Chief Executive, Janet Carson.**

The Memorandum of Cooperation signed by Prime Minister Jacinda Ardern and California governor Gavin Newsom formalises cooperation in New Zealand and California to reduce and paves the way for New Zealand and California to work together on projects that could benefit the environment.

In California, utilities will be required to supply an increasing percentage of renewable natural gas, also known as biomethane. In February this year, the California Public Utilities Commission set biomethane targets for utilities in an effort to reach the state's goal of a 40% reduction in methane. The medium-term 2030 biomethane procurement target is 72.8 Bcf/year, equal to about 12% of the state's residential and commercial natural gas consumption in 2020. The short-term 2025 procurement target is 17.6 Bcf.

Likewise, New Zealand's gas industry has been advocating for a renewable gas mandate to support investment into infrastructure and development for green gases. Green hydrogen (made from renewable energy and water) and biomethane (produced through the breakdown of organic waste) are both being developed and trialled in NZ already.

"Prime Minister Jacinda Ardern and Minister for Energy, Megan Woods, have been strong in their support for green gases and the role they could play in the future. Learning from California, and as part of the Gas Transition Plan we are keen to work with government on how we could introduce a similar mandate or target approach in New Zealand."

[Research released](#) by GasNZ earlier this year has found significant decarbonisation of the LPG sector is also credible and within reach, with LPG playing an important role alongside the likes of hydrogen gas in heating homes and businesses.

"We're encouraging the Government to consider a renewable gas mandate as part of the Gas Transition Plan, a key action in the Emissions Reduction Plan. Specifically, that a proportion of gas and LPG in homes, businesses and industry come from a renewable source," says Janet Carson.

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