

28 November 2005

Mr Rob Hansen  
Research Director  
Impact of Petrol Pricing Select Committee  
Parliament House  
BRISBANE QLD 4000

Email: [petrol@parliament.qld.gov.au](mailto:petrol@parliament.qld.gov.au)

Dear Mr Hansen

#### **IMPACT OF PETROL PRICING SELECT COMMITTEE - CALL FOR SUBMISSIONS**

Origin Energy (Origin) would like to thank the Petrol Pricing Select Committee (Committee) for providing the opportunity to present our views on the issues raised in the *Impact of Petrol Pricing* consultation document.

Origin Energy is a key supplier and marketer of LPG to Queensland and believes that LPG can deliver an immediate solution to a key issue that the Committee is seeking to examine and report on - "*practical ways that consumers can reduce their petrol bills*". LPG Autogas is a proven alternative transport fuel that can deliver relief to consumers from the high prices of petrol and diesel.

LPG Australia has recently provided a submission to the Committee covering this very issue and Origin concurs with all of the comments presented by this industry association.

While it is acknowledged that a key barrier to increased use of LPG Autogas is the capital cost of vehicle conversion, the LPG Australia submission has outlined various government funded incentives that could assist consumers to overcome this barrier. The Federal Government has agreed to offset the impact of fuel excise being applied to LPG from 2011 by providing a subsidy of \$1000 to each private or public purchaser of a new LPG vehicle for 3 years from 2011. Any form of state government capital subsidy that could be provided immediately and made available to new and used vehicles would significantly increase the ability of consumers to use LPG Autogas and reduce their transport fuel costs.

LPG powered vehicles provide the following benefits:

- LPG is approximately 50 percent cheaper than petrol;

- LPG vehicles emit 15-20 percent<sup>1</sup> lower greenhouse gas emissions;
- LPG vehicles emit only a fifth<sup>2</sup> of the air toxins of alternative fuels; and
- LPG is much cleaner during refuelling as it is a fully sealed process.

Australia's largest road service organisation the NRMA has recently announced its intention to update its entire fleet of 400 vehicles to LPG, representing a clear endorsement of LPG vehicles and the economic benefits that they can deliver.

If you require further information or would like to discuss opportunities to increase the use of LPG Autogas in Queensland please do not hesitate to contact Randall Brown on 03 9652 5880.

Yours sincerely

Tony Wood  
General Manager  
Public & Government Affairs

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<sup>1</sup> LPG Australia website

<sup>2</sup> LPG Australia website