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ELGAS



INNOVATION FOR GROWTH

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WLPGA Oceania Regional Summit



Stimulating Growth thru Innovation

To be successful in creating growth we need innovation thru partnerships and technology adaption.

- A clear strategy – invest time researching and understand the problem, develop possible solutions, test those hypothesis, start taking action!
- Select and engage partners, who have the relevant skills, knowledge and ultimately a commitment and a passion to the strategy.
- Open and honest communication on the positives but also the challenges underpinned with a commitment to find a solution / outcome is key. Everything else can be worked out.



Autogas Challenges today

- ❑ Consumers moved to imported vehicles, particularly European, Korean and Japanese makes
- ❑ OEMs - fuel efficient engines - shift to diesel torque, lower fuel economy and emissions
- ❑ Public demand strong for SUVs and trade vehicles –diesel variant
- ❑ Small petrol vehicles will maintain strong sales support.
- ❑ Pressure on Autogas conversions to achieve \$1800 conversion cost.
- ❑ Australian car market has the largest per capita selection of models in the world.
- ❑ OEM production of LPG passenger and light commercial vehicles ceased.
- ❑ Sharply declining Volume Autogas refuelling network beginning to contract
- ❑ Longer term vision is promoting zero emissions with EV and Hydrogen leading the way.



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Where to next?

- Emissions
- Government Policy
- Stimulating growth through innovation
- Passenger and truck vehicle market



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Emissions

- Paris Agreement set global agenda on CO2 reduction - but Air Quality will have equal importance.
- Challenge is diesel engines deliver a similar amount of CO2 compared with Autogas on a like for like vehicle basis.
- Autogas delivers 15% CO2 reduction compared with Petrol and cleaner than diesel.
- Autogas has the lowest impact on greenhouse compared to traditional fuels.



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Australian Government Policy

- National Clean Air Agreement – target PM10 and PM2.5 microns
- Implementation Euro 6 for vehicles
- (Fuel Efficiency) CO2 measures for new light vehicles
- Fuel quality standards
- Emission testing arrangements to involve international agencies to ensure robust testing
- Emission reduction fund – transport measures



What action can we take in Australia?

- Shift debate and policy include air quality - focus PM and NoX impact on health
- Air Quality issues in Paris and London has put focus on diesel -helped by scandal with VW.
- Australian Automobile Association announced 18month program to test real world emissions on Australian Vehicles to assist in establishing a national testing regime.
- Leverage whole of government approach to vehicle Emissions – GEA has made a submission on behalf of the industry and is represented on the working group.



Passenger Vehicle Market

Opportunities for Autogas

- ❑ Partnering with an OEM dealer to offer a ‘total package’ targeted at the fleet market
- ❑ Partnering with technology suppliers to create scale for establishment of a conversion centre (share costs)
- ❑ Reduce conversion time – Example Alliance Autogas vehicle in under 3 hr’s
- ❑ Seek global coordination through our WLPGA members to work with R/H driver countries to influence OEM’s to produce Autogas vehicles for Australia
 - R/H drive vehicles represent over 35% of the vehicles on the road today
 - Australia, New Zealand, Fiji, Japan, Indonesia, Thailand, India, Pakistan, UK, South Africa
- ❑ Seek opportunities through government policy and funding initiatives



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Heavy Duty Truck Market

- ❑ 730 km trip equals = 240 lt Diesel and 130 lt of Autogas (35% substitution)
- ❑ One vehicle could use 30,000 lt of Autogas per year!
- ❑ New Heavy Duty sales are 10,000 units per annum
- ❑ 30,000 vehicles would be equivalent to the current Autogas demand for Australia



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Innovation -Our Journey

- Funding and release of the LPG Vehicle Demand Study
- Introducing LPG dual fuel Toyota Camry for our own fleet
- Partnering strategy to deliver HDDF (diesel gas) to the truck market
- Support and assistance in delivering Hybrid LPG Vehicle product for the Australian taxi market
- Working with Freightliner to introduce dedicated propane gas engines into our truck fleet

Much More to Do!!!

Thank You