

MEDIA RELEASE: ABMARC RESULTS FROM THE LPG MOTORIST SURVEY.

Melbourne, Australia – 8th May 2012: Exclusively for the second report in the Powertrain Series, *LPG Australia: An Automotive Perspective*, ABMARC conducted an LPG survey to understand motorist attitudes to and experience with LPG vehicles. ABMARC doesn't advocate any particular alternative vehicle fuel or technology, but conducts 360° reviews of each topic.

Key results from the survey showed that LPG motorists:

- ⇒ Are more likely to live in the outer suburbs than the inner city or rural areas and mostly drive SUVs and large cars
- ⇒ Travel up to 30% more than the typical Australian driver
- ⇒ Overall, had a positive experience with LPG, rating it 8.6 out of 10 (with 10 being the best)
- ⇒ And significantly, LPG vehicle users have on average a lower weekly income than the reference group and use LPG to assist in meeting the weekly household budget. In fact, 72% of respondents believed that if they had to use petrol, they could not afford to operate their vehicle or would have to reduce their vehicle use and activities

Natalie Roberts, Principal Engineering Consultant at ABMARC said "the results show that LPG enables mobility to many groups of people - from families to retirees and the disadvantaged. Many of the respondents that own LPG cars also tow caravans or horse floats, and this is where the running cost savings of the fuel can really be significant."

"Enabling mobility was one of three reasons we identified in the report as being important in regards to LPGs continuation as a transport fuel. The other two were: providing energy security and offering improved environmental outcomes."

On these points Ms Roberts said "An assessment made as part of the Federal Government's 2011 Energy White Paper highlighted that the national liquid energy security outlook is deteriorating – with the rating moving from the current high to moderate from 2016. We believe that LPG could continue to play an important role as part of an Australian transport energy security solution as it is readily available to consumers on the service station forecourts. It is also indigenous to Australia with more than 70% produced from natural sources (such as gas fields) – so there is not the need to rely on oil refining to maintain supply. As a nation we are a net exporter of LPG, so there is scope for its increased domestic use and also potential to positively assist our national terms of trade as it displaces imported refined petroleum products. Known LPG resources are strongly linked to natural gas, and the long term economic resources of both have been increasing, a trend we at ABMARC believe will continue due to increased energy exploration."

"In regards to LPG vehicle systems our in-depth research showed that modern systems can meet or exceed Australia's current vehicle exhaust emission standards and many are also capable to meet the more stringent standards applied in Europe. Our analysis of almost 20 vehicles found that the tailpipe CO₂ reduction compared to petrol, when using these modern LPG systems was in the range of 7% to 15%."

"To put this in perspective, the environmental benefits achieved by Australia's current LPG fleet are substantial when calculated based on annual automotive LPG fuel consumption and the Government's National Greenhouse Accounts Factors – LPG vehicles reduce greenhouse gas emissions including CO₂, by more than 460,000 tonnes per year due to the petrol that they displace."

Despite these benefits, Ms Roberts acknowledges that there are difficulties ahead for the industry "we see the greatest challenge in ensuring the continued automotive use of LPG in Australia is on-going Government support. Australia's weakening policy outlook for LPG; the winding back of grants and the introduction of the alternative fuels excise is contrary to both the USA and European positions, where there is a growing push and encouragement by Government for motorists to adopt the fuel. Our research showed that with carefully balanced policies in place, it is possible to increase energy security, enable mobility to broad segments of the community and improve environmental outcomes through the automotive use of LPG."

ABMARC is now conducting another survey, the results of which will contribute to future vehicle development and vehicle availability in Australia. To participate and enter the competition to win one of two iPads, go to:

www.survey.abmarc.com.au

Please phone Natalie Roberts, Principal Engineering Consultant on 03 5964 8402, mobile 0438 352 530 or email on nroberts@abmarc.com.au for further information.

ABMARC is the authoritative source for completely unbiased and comprehensive analysis of conventional and alternative powertrains, energy and fuels. We are passionate Engineers with many years of OEM experience in design, development and long term strategic planning. We have developed the Powertrain Series of reports and also consult to business and Government on issues relating to vehicles, energy, transport and fuels.