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Coalition Eyes Gas as Key in Net Zero Policy Review

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Shadow Energy Minister Dan Tehan emphasizes gas as a vital part of Australia's energy future as the Coalition's net zero review, expected to take up to a year, assesses economic costs and energy reliability.

Shadow Energy and Emissions Reduction Minister Dan Tehan has underscored the critical role of natural gas in Australia's energy strategy, as the Liberal-National Coalition conducts a comprehensive review of its commitment to net zero carbon emissions by 2050. Speaking at a press conference with Opposition Leader Sussan Ley, Tehan confirmed the review, launched after the Coalition's May 2025 election loss, could take nine to twelve months, with a focus on gas expansion and carbon capture and storage (CCS) technologies, according to The Guardian. The review aims to balance emissions

reduction with affordable energy, amid concerns over the Australian Labor Party's (ALP) renewables-heavy approach.

The Coalition's review follows a bruising election where its nuclear energy plan, estimated at \$600 billion, was criticized as unfeasible, per ABC News. Tehan told Sky News Australia that the ALP's energy policies have driven up electricity prices, which rose 21% since 2018, according to the Australian Bureau of Statistics, while emissions continue to climb. He emphasized gas as a reliable baseload power source, citing Victoria's reliance on imported gas despite Australia's abundant reserves, per The Standard. The Coalition also plans to scrutinize the ALP's Capacity Investment Scheme, which Tehan claims lacks transparency on costs, per The Guardian.

The review has sparked internal tensions, with Nationals MPs like Barnaby Joyce and Matt Canavan pushing to abandon the net zero target, arguing it burdens the economy, per The Guardian. Liberal MP Simon Kennedy, however, warned against backsliding, citing economic and environmental risks, per The Guardian. Tehan, tasked with navigating these divides, stressed to Sky News that the review will prioritize "listening to industry and households" to craft a policy ensuring energy reliability. He also floated revisiting the Paris Agreement and gas reservation schemes, per The Guardian.

Critics argue the ALP's focus on wind and solar, aiming for 82% renewable energy by 2030, risks grid stability, with Spain's 2025 blackouts as a cautionary tale, per The Standard. The Coalition's push for gas, alongside nuclear and renewables, seeks to address these concerns, but the year-long review risks delaying a clear policy stance, leaving households and businesses grappling with rising costs.