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Renewable gas could ease global fuel shock

Fuel supply shortages sparked by the Middle East conflict are a wake-up call that NSW should be investing in the development of renewable gas, Business Hunter said today.

A recently released Business NSW report, [Running on Empty 2.0 – The Evolving Role of Gas in NSW](#), says a looming gas shortage threatens households, businesses and jobs.

It recommends increasing investment in biomethane – a renewable gas produced from organic waste feedstock such as food waste, agricultural residues, wastewater sludge and landfill gas.

“Biomethane is one of the quickest and most practical ways to boost supply and cut emissions,” Business Hunter CEO Bob Hawes said.

“Building a biomethane industry would also deliver major economic benefits for regional NSW, turning agricultural and organic waste into renewable energy while creating local jobs.”

Mr Hawes said current fuel shortages reinforced just how fragile energy markets could be – and why NSW must act quickly to diversify its fuel sources.

He said biomethane could meet up to a third of Australia’s gas demand by 2050, helping businesses cut emissions without having to replace the equipment they use every day.

“Biomethane can be injected directly into the existing gas network, meaning restaurants, manufacturers and food processors don’t need to rip out boilers, burners or commercial appliances or invest millions in electrification upgrades,” Mr Hawes said.

Gas remains critical to the NSW economy, powering more than 1.5 million households and 50,000 small businesses, while underpinning around 250,000 jobs.

Nearly one in five NSW businesses rely entirely on gas to operate, including 64 per cent of hospitality businesses.

Mr Hawes said Jemena’s [Malabar Biomethane Injection Plant](#) had shown renewable gas could be injected safely into the existing network without disruption.

Closer to home, MidCoast Council has partnered with organic waste management provider NALG Envirotech to develop a [processing facility that will generate biogas from organic waste](#).

Mr Hawes welcomed the NSW Government’s move to include biomethane in the Renewable Fuel Scheme from 2028 and its \$170 million funding commitment, but said additional policy support was needed to accelerate industry development.

“NSW has a target of 15 per cent of gas used by industry coming from renewable sources by 2035. The NSW Government should work with industry, suppliers and retailers to increase the ambition of this target to 25 per cent,” Mr Hawes said.

“Biomethane is a jobs engine, a regional economic boost and a practical way to stabilise energy supply while cutting emissions.”

Media enquiries: Bob Hawes 0418 496 745