

# AEGPL breathes new life into lobbying challenge

*The European LPG Association's (AEGPL) annual congress in Vienna this month saw a revitalised organisation eager to increase its EU lobbying efforts, as well as forge stronger links with the World LP Gas Association (WLPGA)*

"We are gathering in the context of difficult circumstances," AEGPL president Rainer Scharr warned at the start of the 2009 AEGPL congress, held in Vienna on 13-15 May. "We are quite lucky that the LPG sector in Europe is so far not too much affected, but our customers are, as well as our friends."

This sober address reminded delegates that the economic crisis is inescapable, but also that the European LPG industry had enjoyed a far more profitable winter than forecast, because of sustained heating demand in the face of unusually low temperatures.

The mood of the AEGPL congress was, warnings aside, surprisingly upbeat. The event gave the chance for the newly revitalised organisation to set out its aims. The AEGPL remains eager to focus on one of its key tasks — to ensure LPG is part of the solution in new EU legislation. Much of the groundwork has been done, with the AEGPL having already taken the difficult but wise decision to relocate from Paris to Brussels and boost its staff. This year sees a change of president, with Ulrike Andres from LPG distributor Primagaz taking over from Rainer Scharr after Scharr's transformational four-year term (see p9).

## Tough task

Lobbying looks to be a tough challenge, given the relatively low awareness of LPG among EU politicians. As a result, the task of raising LPG's presence was at the forefront of conference proceedings.

Forecasters Trevor Morgan, senior economist from the International Energy Agency, and Chris Holmes from consultancy Purvin & Gertz acknowledged that predicting prices in the energy sector is exceptionally difficult at present, given the unprecedented volatility over the last twelve months. "These are crazy times we live in," Morgan said. "I cannot remember a time when it is more difficult to present a world energy outlook", he said.

But WLPGA managing director James Rockall urged the conference not to be misled by price graphs and bearish growth trends. "We are not passive victims," he said. "We should be active in moving our vision for the industry forward."

This "vision" was much in evidence at the congress, and includes the European re-branding of LPG as "exceptional energy" — complete with a new logo — by the WLPGA in conjunction with the AEGPL and the six largest energy firms active in the European LPG industry (see p9). The conference also saw the release of two new scientific reviews from

Switzerland-based consultancy Atlantic Consulting — LPG's *Carbon Footprint* and *LPG and Local Air Quality*, which aim to provide summaries of the benefits of LPG for policy makers in the EU.

The AEGPL and the WLPGA have been working on closer relations, and both organisations are stressing a new era of co-operation. Next year, the annual WLPGA forum and AEGPL congress will be held concurrently in Madrid, Spain. As outgoing AEGPL president Scharr said: "There are a lot of synergies between us and we can be of benefit to each other."

Rockall pointed out that the energy industry has spent a lot of time talking about the relative price of fuels but not their relative value for money. And under this criteria, LPG's benefits show the value of the fuel in a number of different applications. Rockall cited research from the World Health Organisation that showed LPG as a cost-effective solution to reducing pollution from cooking fuel.

The conference was accompanied by an exhibition that allowed Europe's LPG equipment manufacturers to display their products. New applications were abundant — from the latest in self-service cylinder dispensers pioneered by French company Sudco to a new, convenient way to carry plastic cylinders put forward by Total.

*'We should be active in moving our vision for the industry forward'*

## Vienna loves autogas

The city of Vienna proved a fitting venue for the 2009 AEGPL congress, given that public transport body Wiener Linien has been using LPG as a fuel for its bus fleet since 1960 — one of the longest historical uses of autogas in the world.

Wiener Linien's head of operations and customer services, Richard Stranz, pointed out the environmental benefits of running the fleet on autogas in cutting both CO<sub>2</sub> emissions and improving air quality by reducing particulate matter in the atmosphere. "When you breathe Vienna's air, you certainly feel the difference with other cities and I hope you will continue to do so," Stranz said.

In 2006, the bus fleet received the "Umweltpreis" ecological award from the Vienna city government for its autogas engines. The fleet consists of 475 buses of various sizes, which operate over 83 routes, serving the city's 1.6mn population.

## Q&A: 'We are the best-kept secret'

Argus interviewed the outgoing president of the European LPG Association (AEGPL) Rainer Scharr and his successor Ulrike Andres at the 2009 AEGPL congress, held in Vienna on 13-15 May. Edited highlights follow:

### There is a sense that the AEGPL is heading in a new direction. Can you tell us about this?

**Andres:** The AEGPL is entering a new phase, an era of more focus on legislative lobbying in Brussels, the home of the EU, as we reposition LPG as a clean and efficient fuel — in closer co-operation with the World LP Gas Association (WLPGA).

### What changes have you seen already?

**Scharr:** We made a major change during my four-year term of office to move the AEGPL from Paris to Brussels. Our organisation has been streamlined and the focus from now on will really be our work in Brussels. The second major change has been closer co-operation with the WLPGA. There are a lot of synergies between us and we can be of benefit to each other. In the future we shall work together in closer co-operation.

### Are you proud of the progress that has been made so far by the AEGPL?

**Scharr:** Yes. We have developed the association a lot. Not everything is perfect, but there is a lot that has happened which has moved us in the right direction — and there remains lots to do.

### Has the recession hurt your members?

**Andres:** There is pressure — mainly in the commercial and light industrial sector so far, with delays to new investment

and new projects, which have in turn led to lower demand. But demand remains steady in the domestic heating and cooking sector. Europe in terms of LPG demand had a good winter and this means that so far we have been less affected by the economic crisis than other energy sectors. Lower sales prices have contributed to more stable demand.

### What challenges does the AEGPL face in its efforts to lobby the EU?

**Andres:** The biggest handicap is that EU politicians in Brussels do not know about LPG. So more is needed to explain the benefits of LPG. We need to improve our work both in lobbying in Brussels but also with our work on a national level, lobbying the governments of member states. We need to communicate more that LPG really is exceptional energy, and pursue more networking as we build up relationships with policy makers.

**Scharr:** We are a niche energy source. A lot of people do not know about us — confusing LPG with LNG, for example. Increasing awareness of LPG is very important and you cannot really lobby the EU from Paris, so the move to Brussels was necessary.

### Are you looking forward to your term as AEGPL president?

**Andres:** Yes. I really believe that LPG is an exceptional energy source. We are the best-kept secret in the energy sector and if we want to change this, we have to do something about it. There are so many exciting developments in LPG — new applications, new developments in logistics, new types of cylinders and more advanced vehicle technology.

### WLPGA unveils new branding

With a flourish, a new website and even a well-produced short film, the World LP Gas Association (WLPGA) took the opportunity at this month's 2009 AEGPL congress in Vienna to unveil its major new initiative of branding LPG as "exceptional energy".

"We have exceptional energy, which is used by 120mn Europeans every day — so let us use it," WLPGA communications manager

Neasa Ni Liathain said. The initiative has been backed by large European



LPG companies such as BP, SHV, Shell, Total, Repsol-YPF and UGI specifically to increase the visibility of LPG in Europe.

The phrase "exceptional energy" was originally used by the US Propane Education and Research Council, but has been adopted to give LPG a unified approach. "LPG needs to be more visible in Europe," Ni Liathain said. The AEGPL and the WLPGA are promoting the rebranding, which comes with its own logo (see above).

### LPG by self-service

French company Sudco is pioneering development of its LPG cylinder self-service machines. At this month's AEGPL congress, Sudco had a fully working model of a machine that collects used cylinders and dispenses a replacement at the push of a button and swipe of a credit card. Sudco project manager Sebastian Lagadec says the firm's efforts are directed at French hypermarkets — saying the machines can produce major savings in labour costs, especially on the weekends when 25pc of all cylinder sales occur. Three units are already in operation in south France.