



Ad Standards Community Panel
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AdStandards.com.au

Ad Standards Limited
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Case Report

1. Case Number :	0131-22
2. Advertiser :	Australian Gas Networks
3. Product :	Other
4. Type of Advertisement/Media :	TV - Free to Air
5. Date of Determination	22-Jun-2022
6. DETERMINATION :	Dismissed

ISSUES RAISED

AANA Environmental Code\1 Truthful and Factual
AANA Environmental Code\2 Genuine Environmental Benefit

DESCRIPTION OF ADVERTISEMENT

This television advertisement features a father and daughter using natural gas appliances including scenes showing them in a kitchen, on a couch and in a bathroom. The voiceover states: "Some things never change. But the flame we use will. It's becoming renewable. Controllable, reliable gas. For this generation and the next." The final screen shows text stating "Love gas. Love a renewable gas future."

THE COMPLAINT

Comments which the complainant/s made regarding this advertisement included the following:

The advertisement claims that it is "Renewable Gas". The Gas which is piped into people's homes is not renewable and they should not be allowed to claim that it is.

THE ADVERTISER'S RESPONSE

Comments which the advertiser made in response to the complainant/s regarding this advertisement include the following:

Thank you for notifying Australian Gas Networks Limited (AGN) of the above complaint and for providing the opportunity to respond. AGN takes its obligations



under advertising standards seriously and we endeavour to ensure that the relevant guidelines are followed, in particular the Environmental Claims Code.

The complaint relates to our current advertising campaign for natural gas which includes a 30 second television advert featuring a father and daughter using natural gas appliances today and the daughter using the same appliances when she is older.

The voice over of the commercial is:

“Somethings never change.

But the flame we use will.

It’s becoming renewable.

Controllable, reliable gas.

For this generation and the next”

And the final tagline is:

[AGN Logo] “Love gas. Love a renewable gas future.”

The complainant indicates that they are concerned that the advertisement claims gas piped into people’s homes is renewable when it is not, and that AGN should not be allowed to claim that it is.

AGN agrees with the complainants’ statement that “the gas piped into people’s homes is not renewable” however AGN submits that nowhere in the advertisement is it claimed that natural gas currently supplied to people’s homes is currently renewable. Rather, the advertisement is designed to raise awareness about and generate interest in steps that AGN is taking towards decarbonisation, and that in the future natural gas will be transitioning to a new, renewable gas.

Our detailed response below addresses the AANA Environmental Claims Code which the complaint has initially been assessed against by Ad Standards, and also all sections of the Advertiser Code of Ethics which the Community Panel will also consider.

RESPONSE TO COMPLAINT RECEIVED

**1. AANA Environmental Claims Code for Advertising and Marketing
Section 1. Truthful and Factual Presentation.**

Environmental Claims in Advertising or Marketing Communication:

a) shall not be misleading or deceptive or be likely to mislead or deceive;

The advertisement is not misleading or deceptive, or likely to be misleading or deceptive because:

- The advertisement shows a father and daughter using natural gas appliances for cooking, hot water and heating, then jumps ahead approximately 15 years to show the daughter as an adult using similar appliances as she did when she was young.*
- In conjunction with the voice over, the advertisement shows that some things will remain unchanged over the generations (namely using gas for these appliances), but that the gas, or flame, used by the appliances will change.*
- The passage of time shown in the advertisement and the voice over clearly show that natural gas will change in the future. This is supported by the final tagline “Love a renewable gas future”*



- *The advertisement does not state or imply that natural gas is already renewable.*
- *AGN is implementing a board approved low carbon strategy to convert its natural gas distribution networks to renewable gas. We are targeting a 10% blend of renewable hydrogen in our gas distribution networks by 2030, moving to a full conversion to renewable hydrogen by 2050 at the latest. This is consistent with Australian State, Territory and Federal ambitions which collectively target net zero carbon emissions by 2050.*
- *AGN has already started to trial implementation of these changes in AGN's South Australian network and AGN has similar projects in advanced planning stages in Queensland and Victoria.*
- *The concept of renewable gas is well understood in the energy industry but potentially not as well amongst smaller end consumers of gas. The advertisement is designed to raise awareness and interest in using renewable gas in the gas distribution network. As a leader in the energy industry's journey to decarbonisation, AGN considers consumer education and awareness raising a key part of the journey, and this advertisement forms part of our consumer education and awareness campaign.*
- *It is still early in the transition to renewable gas and AGN's advertisement is intended to generate interest and further research about the path that it has started to meet the target net zero carbon emissions and future steps it is planning to take.*
- *The advertisement does not state that AGN is already delivering renewable gas to people's homes as the complainant suggests.*

b) shall display any disclaimers or important limitations and qualifications prominently, in clear, plain and specific language

The advertisement itself does not display any disclaimers, limitations or qualifications as there is no information supplied in the ad that requires a disclaimer, limitation or qualification.

The advertisements' message to consumers about a "renewable gas future" is widely accepted and endorsed at State, Territory and Federal levels of Government in Australia and internationally. This advertisement also shows consumers that AGN has factored renewable gas into its own future and is planning for decarbonisation, showing consumers that the company's future is aligned with the widely accepted view that society's future requires a transition to renewable energy.

We therefore consider the advertisement is compliant with this requirement of the Code.

c) shall represent the attributes or extent of the environmental benefits or limitations as they relate to a particular aspect of a product or service in a manner that can be clearly understood by the consumer.



The advert itself does not make any representations about environmental benefits from current natural gas supply. The intent of the advertisement is to make consumers aware of the 'renewable gas' future for the gas network.

We consider that the advertisement is compliant with this requirement of the Code.

Section 2. Genuine Benefit to the Environment.

Environmental Claims must:

- a) be relevant, specific and clearly explain the significance of the claim;*

The advertisement does not make a claim about current environmental benefits from renewable gas. As mentioned above, the advert refers to future changes to the network.

The planned transition to renewable gas, starting with blending in AGN's natural gas distribution networks, has a genuine environmental benefit and is consistent with both State and Federal government plans to develop the hydrogen industry as a key aspect of the decarbonisation journey.

Further, AGN believes that reference to a "renewable gas future" is clear to consumers who may be considering the long-term future of the two main sources of energy in Australia (electricity and gas) and seeking to understand more about the future potential of renewable gas in order to make informed consumer decisions for their energy usage.

Accordingly, we consider that the advertisement is compliant with this section of the Code.

- b) not overstate the claim expressly or by implication;*

The reference to a renewable gas future is not an overstatement as significant, government funded projects (both State and Federal) are already underway to facilitate the transition from natural gas to renewable gas.

AGN is implementing a board approved strategy with renewable gas blending already commenced in a demonstration project in South Australia, and two other projects in the advanced stages of planning.

Like electricity, which has been moving towards more renewable energy for over 20 years, the transition to renewable gas will take time and our customers are aware of this.

We believe that the advertisement is compliant with this section of the Code.

- c) not imply that a product or service is more socially acceptable on the whole.*

The advert refers to our plan for the natural gas in our gas networks to transition to a cleaner fuel (renewable gas) in the future. This may imply that renewable gas will be



more socially acceptable (if people are seeking cleaner fuels), however the statement is also factual. The advertisement does not suggest that alternative energy options are not socially acceptable.

We consider that the advertisement is compliant with this section of the Code.

Section 3. Substantiation.

Environmental Claims in Advertising or Marketing Communication:

a) shall be able to be substantiated and verifiable. Supporting information shall include sufficient detail to allow evaluation of a claim;

We do not consider that the advertisement makes an environmental claim, as noted above, it informs customers of AGN's plans to transition to renewable gas in the future and that the renewable gas will be a cleaner fuel.

However, if the Panel considers that the use of the term 'renewable gas future' does constitute an environmental claim, then we reiterate our response in Section 1a, i.e. that any such claim is substantiated and verified by:

- the renewable hydrogen projects currently underway by both AGN (and other organisations in the energy industry),*
- AGN's board approved low carbon strategy which provides us with a roadmap to reach 100% renewable hydrogen in our distribution networks,*
- the State and Federal government funding that has been and is being made available in support of the transition to decarbonisation and cleaner fuels for gas consumers,*
- State and Federal Government strategies released in recent years with respect to renewable hydrogen, such as the Commonwealth Government National Hydrogen Strategy and the South Australian Government's Hydrogen Action Plan.*

All of the above support the notion that renewable gas is the future for the natural gas networks and is supported by government, and that AGN's plans are not only well developed, but are being implemented.

b) shall meet any applicable standards that apply to the benefit or advantage claimed;

We do not consider that our advertisement is subject to additional applicable standards regarding the benefit claimed.

c) containing testimonials shall reflect the genuine, informed and current opinion of the person giving the testimonial.

Our advertisement is compliant with this section of the Code of Practice as no testimonials are present in the advertisement.

2. AANA Code of Ethics for Advertising and Marketing

We have also addressed Section 2 of the AANA Code of Ethics for Advertising and Marketing, which relates to Consumer Complaints.



Section 2.1 Advertising or Marketing Communications shall not portray people or depict material in a way which discriminates against or vilifies a person or section of the community on account of race, ethnicity, nationality, gender, age, sexual preference, religion, disability, mental illness or political belief.

Our advertisement does not breach this section of the Advertiser Code of Ethics as it does not depict material that discriminates or vilifies a person or section of the community as identified in section 2.1

Section 2.2 Advertising or Marketing Communications shall not employ sexual appeal: (a) where images of Minors, or people who appear to be Minors, are used; or (b) in a manner which is exploitative or degrading of any individual or group of people.

Our advertisement does not breach this section of the Advertiser Code of Ethics as it does not employ sexual appeal against Minors or in a manner that is exploitative or degrading to any individual or group of people as identified in section 2.2.

Section 2.3 Advertising or Marketing Communications shall not present or portray violence unless it is justifiable in the context of the product or service advertised.

Our advertisement does not breach this section of the Advertiser Code of Ethics as it does not present or portray violence as identified in section 2.3.

Section 2.4 Advertising or Marketing Communications shall treat sex, sexuality and nudity with sensitivity to the relevant audience.

Our advertisement does not breach this section of the Advertiser Code of Ethics as there is no sex, sexuality or nudity present.

Section 2.5 Advertising or Marketing Communications shall only use language which is appropriate in the circumstances (including appropriate for the relevant audience and medium). Strong or obscene language shall be avoided.

Our advertisement does not breach this section of the Advertiser Code of Ethics as there is no strong or obscene language used.

Section 2.6 Advertising or Marketing Communications shall not depict material contrary to Prevailing Community Standards on health and safety.

Our advertisement does not breach this section of the Advertiser Code of Ethics as it does not depict material contrary to Prevailing Community Standards on health and safety.

Section 2.7 Advertising or Marketing Communications shall be clearly distinguishable as such to the relevant audience.



Our advertisement does not breach this section of the Advertiser Code of Ethics as our advert is clearly distinguishable to its relevant audience.

We trust the above response addresses any concerns regarding the advertisement and provides the Community Panel with sufficient information for their review. However, if any further information is required, please do not hesitate to contact us.

THE DETERMINATION

The Ad Standards Community Panel (the Panel) considered whether this advertisement breaches the AANA Environmental Claims in Advertising and Marketing Code (the Environmental Code).

The Panel noted the complainants' concerns that the advertisement suggests that renewable gas is being used in people's homes.

The Panel viewed the advertisement and noted the advertiser's response.

Is an environmental claim being made?

The Panel considered whether the advertisement made an Environmental Claim.

The Environment Code applies to 'Environmental Claims' in advertising and marketing communications.

The Code defines Environmental Claims as *“any express or implied representation that an aspect of a product or service as a whole, or a component or packaging of, or a quality relating to, a product or service, interacts with or influences (or has the capacity to interact with or influence) the Environment”*.

The Panel noted that the advertisement includes the voice-over: “Some things never change. But the flame we use will. It's becoming renewable. Controllable, reliable gas. For this generation and the next”.

The Panel noted the statement that the gas 'we use' is 'becoming renewable', is referring to a future event which will have environmental impact, and considered that this falls within the definition of an Environmental Claim.

1 a) Environmental Claims in Advertising or Marketing Communication shall not be misleading or deceptive or be likely to mislead or deceive

The Panel noted that the Practice Note for this section of the Environmental Code includes:

“It is not intended that legal tests be applied to determine whether advertisements are misleading or deceptive, or likely to mislead or deceive, in the areas of concern to this Code.



Instead, consideration will be given as to whether the average consumer in the target market would be likely to be misled or deceived by the material.

Factors to consider include:

An advertisement may be misleading or deceptive directly or by implication or through emphasis, comparisons, contrasts or omissions. It does not matter whether the advertisement actually misled anyone, or whether the advertiser intended to mislead – if the advertisement is likely to mislead or deceive there will be a breach of the Code.

Environmental claims relating to future matters or commitments should be based on reasonable grounds as at the time the claim was made, even if the future matter does not come to pass. The fact that a person may believe in a particular state of affairs does not necessarily mean that there are reasonable grounds for the belief.

The target market or likely audience of the advertising or marketing communication should be carefully considered when making environmental claims. Therefore all advertising should be clear, unambiguous and balanced, and the use of technical or scientific jargon carefully considered.”

Claim 1

The Panel noted the advertiser’s response that the claim in the advertisement is clearly made about the product in the future, and not in the present.

The Panel noted the advertiser’s further response that the claim is substantiated by its plans to move to a 10% blend of renewable hydrogen gas by 2030 and a full conversion to renewable hydrogen by 2050 at the latest.

The Panel considered that the word ‘becoming’ is usually associated with a change that has started or is just about to start, and is not usually used in the context of things which are decades away.

However, the Panel considered that the narrative in the advertisement clearly shows a jump ahead in time to when the young girl is an adult which is reinforced by the statements relating to the next generation. The Panel considered that the language in the advertisement only talks about changes happening in the future, and there is no claim made that the changes are happening now. The Panel considered that this was reinforced by the final frame of the ad with the text ‘renewable gas future’.

Overall, the Panel considered that the advertisement would not mislead or deceive the target market into believing that renewable gas is currently in use.

1 a) Conclusion



The Panel determined that the Environmental Claim was not misleading or deceptive and did not breach Section 1 a) of the Environmental Code.

2 a) Environmental Claims must... be relevant, specific and clearly explain the significance of the claim

The Panel noted that the Practice Note for this Section includes:

“Environmental claims should only be made where there is a genuine benefit or advantage. Environmental benefits should not be advertised if they are irrelevant, insignificant or simply advertise the observance of existing law. Advertising and marketing communication should adequately explain the environmental benefits of the advertised product or service to its target audience. It is not the intent of the advertiser making the claim that will determine whether it is considered misleading; it is the overall impression given to the consumer that is important. Advertising therefore should not inadvertently mislead consumers through vague or ambiguous wording. Providing only partial information to consumers risks misleading them. Generally a claim should refer to a specific part of a product or its production process such as extraction, transportation, manufacture, use, packaging or disposal.”

The Panel noted that the advertiser’s response in detailing that the advertiser is taking steps towards becoming renewable by 2050. The Panel considered that the claim made in the advertisement is in line with this plan.

The Panel considered that the Environmental Claim in the advertisement though qualified is relevant and adequately specific, and that a fuller explanation of the significance of the claim is easily accessible through the advertiser’s website as reinforced through the call to action in the search bar image at the end of the advertisement.

Section 2 a) Conclusion

The Panel determined that the advertisement did not breach Section 2 a) of the Environmental Code.

Conclusion

Finding that the advertisement did not breach the Environmental Code on any other grounds the Panel dismissed the complaints.