

Renewable Energy Strategy

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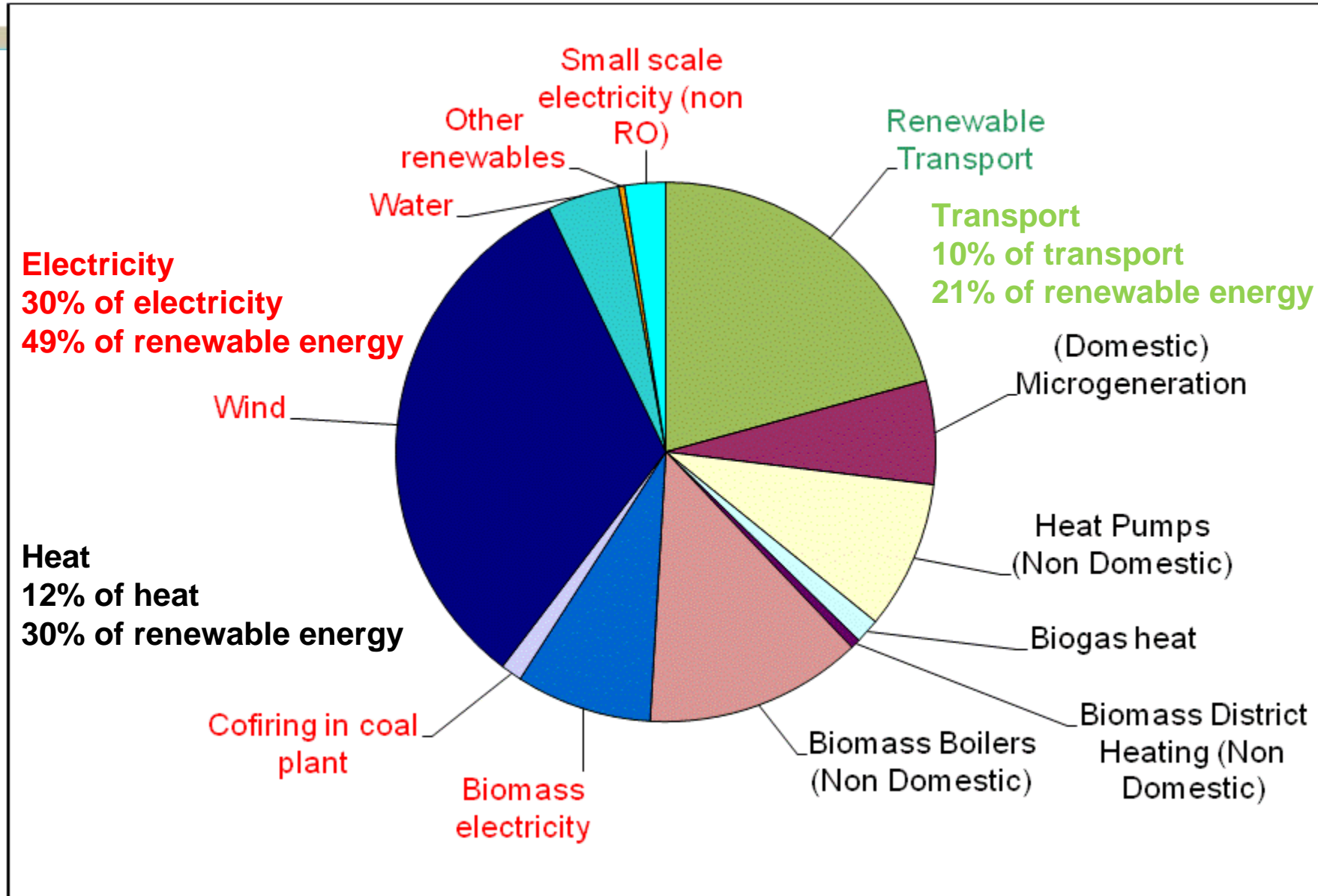
8th October 2009

Agenda



- Renewable Energy Strategy
- Biomass in the RES
- Renewable Heat Incentive
- Sustainability of supply
- Air quality and biomass

Renewable Energy Strategy



Renewable Energy Strategy



- Financial incentives:
 - Extension/banding of Renewables Obligation (RO),
 - Introduction of a Feed-in Tariff (FIT)
 - Renewable Heat Incentive (RHI)
- Non-financial:
 - Woodfuel Strategy Implementation Plan
 - Energy Crops Grant of 50%,
 - New research on Short Rotation Forestry,
 - New AD web-based portal, demonstration programme, and consulting on banning waste from landfill
 - Biomass Sustainability Working Group

Renewable Energy Strategy



Goal:

- ramp up the supply and use of biomass for heat, power and transport while ensuring sustainability and protecting the environment.
 - increasing the recovery of wood for energy;
 - increasing the amount of perennial energy crops produced;
 - increasing the use of currently under-utilised agricultural residues such as straw; and
 - increasing the supply from organic waste materials.

Renewable Heat Incentive



- Accessible, flexible and user-friendly
- Will support renewable heat generation & producers of biomethane, at all scales.
- funded by a levy on the suppliers of fossil fuels for heat



Renewable Heat Incentive



- Consultation towards the end of 2009
 - will cover such issues such as eligible technologies, support levels and the levy
- Aim to introduce the RHI in April 2011
 - new secondary legislation
- Heat installations built from 15 July onwards would be eligible

Biomass and sustainability



- Increasing the use of biomass must contribute to our economy, society and the environment.
- consistency with both our energy and climate change policies
- Support farming, forestry and employment within the supply chain
- Support biodiversity, avoid ILUC concerns
 - International sustainability criteria
 - Mandatory sustainability criteria at home

Progress to date



- Sustainability criteria for biofuels and bioliquids in the EU Renewable Energy Directive
 - minimum GHG savings, good agricultural practice and land use change
- Transpose the RED into national law required by December 2010
- Are at an earlier stage for agreeing an approach to solid biomass and sustainability
- Expecting a report on the need for sustainability criteria for biomass used for energy other than biofuels and bioliquids from the Commission, by the end of 2009

Meanwhile....



- Renewables Obligation contains mandatory sustainability reporting for biomass electricity generators
 - Source, form, mass or volume
 - By-product of a process or a waste, energy crop?
 - Country of Origin
 - Whether certified under an environmental quality assurance scheme,
 - Land use to which the land on which any plant biomass was grown has been put since 31st November 2005.
- This will allow us to build up a idea of biomass use in the UK

Air Quality



Renewable Energy Strategy 2009:

‘biomass heating should not be used where, without appropriate abatement technology, it could cause local air quality to be significantly degraded, for the UK’s international obligations on air quality to be breached, or for public health to be significantly affected’

Air Quality



- Intend to introduce emission performance standards for biomass boilers under 20MW th
- Will consult on whether to limit the RHI to operators of biomass boilers which meet these standards
- Need to avoid creating overlapping or duplicating regulations
 - Considering class exemption under the Clean Air Act 1993

Air Quality



- Lord Hunt wrote to LGA, setting out the results of the analyses set out in the RES, noting that:
‘the potential conflicts between these goals and AQ can be avoided through the use of high quality, low emission plant’
- We are developing an online ‘how to’ guide for community energy projects, including biomass

Next steps



2009

- Commission reports at end of year on requirements for sustainability criteria for solid biomass used for energy, with accompanying proposals to Parliament and Council as appropriate
- UK sets up new Biomass Sustainability Working Group – 1st meeting November
- Consultation on RHI

2010

- EU member states consider and respond to Commission's proposals
- Global Bioenergy Partnership (GBEP) Project, chaired by UK, due to finalise voluntary international sustainability criteria

2011

- Introduction of RHI in April
- Biomass Fuel Quality Standards

The RES and the RHI

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