

### Biogas & Biomethane - REA's 5 Key Asks

Biogas can play a significant role in the future UK energy system with technologies that are already well established. The REA Biogas steering group welcomes the new Labour government and has set out a comprehensive action plan that will ensure resilient, longstanding support for the biogas sector.

The REA's Biogas steering Group is part of the REA Green Gas Forum, which has worked incessantly to overcome barriers to the development and operation of green gas plants and help shape Government policy to support green gases. Read more about the Forum here.

# 1. Introduce market-based support for biogas, to support the UK's transition to net zero.

- By improving access to other revenues (namely economic gate fees through increased waste recycling targets, healthy digestate and CO2 markets, Green Gas Certificates and inclusion in the UK ETS, whilst also pushing for recognition for carbon accounting and access to the EU Union Database) to assist the move to a more unsubsidised sector,
- for new biomethane connections at <u>all pressures</u> to the gas grid (e.g. via grid upgrades, reverse compression, GDN obligations)
- to end the requirement for propane addition for all gas to grid plants, as soon as possible, to bring the UK in line with the EU,
- for biomethane vehicle fuel use in internal combustion powertrains, off-road, on farms and within wider industries, alongside AD plants <u>at all scales</u> (small micro-AD through to large, centralised plants), as the precursor to other fuels (e.g. green hydrogen and SAF).

### 2. Recognition of the biogas sector and the benefits it can offer.

- Set an <u>ambitious production target</u> for at least 100TWh per year by 2035.
- developing a gas grid strategy to 2050 in consultation with industry (include targeting with NESO)
- Investigate reducing the costs and burdens of grid connections.



# 3. Alleviate planning, permitting and regulation barriers to growing the biogas sector.

- planning reforms which aid strategic decisions
- recognising the need to increase resources of skilled planning and permitting personal, who are paid appropriately to ensure retention of their skills.
- This could include a specific and dedicated team of experts in the field that can provide advice and assistance to planners and regulators to ensure effective and informed decisions.
- Regulating all AD plants to maintain high standards and mitigate environmental risk and to ensure on a par with process industry standards on safety and environment. The sector is proud of the environmental benefits it brings and actively strives to achieve the where not counter incentivised.

### 4. Stimulate and incentivise biogas markets for all beneficial outputs.

- Ensure effective inclusion of on-farm AD plants at all scales, dependent on local feedstock availability and energy offtake potential.
- Given that AD on farms offers benefits in terms of emissions reduction and better nutrient availability in soils, it makes economic and environmental sense to support the capture of methane through on-farm AD as well as fugitive emissions from all covered lagoons,
- Ensure clear regulatory pathways are in place for innovative treatment technologies and Inclusion of alternative production pathways (landfill gas/ gasification)
- Realising the benefits of existing assets for future growth through inclusion of investment for expansions and conversions.
- Recognising the potential for AD plants to sit at the heart of a circular economy for farms, providing local communities with bioenergy and biofertiliser, while improving environmental health



- 5. Ensure proper and considered policy and governance alignment with other related policies (UK ETS, CBAM, NPT CO2, GGR) and governance mechanisms (UK-ETS, green investment, SFDR, ESG, carbon accounting etc).
- Will allow key decisions to be made without unintended constraints or barriers resulting from contradictory policy decisions favouring one sector/ technology over another.
- Will enable UK ETS companies to use mass-balanced biomethane (and other outputs) within its emissions reporting and align UK ETS with EU ETS to allow low-friction cross border trading.
- Will immediately open up CCS storage capacity to AD's decentralised network of BECCS plants.
- Will encourage the development of good and effective sustainability governance and verified accountability across the sector. Arrangements within the biomethane sector need to align with the cross-sector sustainability frameworks and to consider the benefits of maximising the feedstock asset base of the UK (crop rotation, sequential crops, use of cover crops, etc), encourage the beneficial use of all outputs and reward good practices rather than penalise.

#### **About the REA**

The REA is working towards a future built on renewable energy and clean technology. We represent around 500 member companies from across the renewable energy, recycling, energy storage and electric vehicle sectors. We influence and inform whilst we champion and empower our members; so they are profitable, sustainable commercial businesses. Together we are decarbonising the economy.

#### Get in touch

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