

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 125
Hearing: Supplementary Budget Estimates
Outcome: Agency
Programme: Clean Energy Regulator
Topic: Native Forest Biomass and the RET
Hansard Page: N/A
Question Date: 2 November 2015
Question Type: Written

Senator Rice asked:

Given that the definition of 'wood waste' with the Renewable Energy Target was amended to include native forest biomass as an eligible renewable energy source:

1. Which organisations have applied for Renewable Energy Certificates for native forest biomass projects?
2. How many RECs involving native forest biomass have been issued overall?
3. Based on applications to date, what percentage of renewable energy would be generated under the RET from native forest biomass sources?
4. Please provide a state by state breakdown of where the biomass would come from?
5. Which large scale coal-fired power stations have applied for RECs to use native forest biomass for co-generation?
6. How many staff are allocated to oversight of the projects and ensuring the high value clause is being met?

Answer:

The following information is provided as background information:

Large-scale Generation Certificates (referred to as LGCs) must reflect electricity generated from eligible renewable energy sources.

Eligible renewable energy sources are set out in section 17 of the *Renewable Energy (Electricity) Act 2001* (the Act). Wood waste is listed in 17(1)(j). The definition of wood waste is set out in Regulation 8 of the *Renewable Energy (Electricity Regulations 2001* (the REE Regulations).

A summary of wood waste subcategories under Regulation 8 of the REE Regulations include:

- biomass produced from non-native environmental weed species and harvested for the control or eradication, from an approved harvesting operation;
- a manufactured wood product or a by-product from a manufacturing process;
- waste products from the construction of buildings or furniture, including timber off-cuts and timber from demolishing buildings;
- sawmill residue; and

- biomass from a native forest that meets all of the requirements set out in subregulation 8(2). For the purpose of this response, this will be referred to as “**native forest wood waste** subcategory”.

Section 140 of the Act states that the register of LGCs (the REC Registry) must contain the eligible energy source or sources (e.g. “wood waste”) in respect of which the certificate was created. There is no requirement to list the subcategory.

In response to the specific questions:

1. No power station that is accredited to use wood waste as an eligible renewable energy source has created any LGCs under the wood waste category which have been attributed to the source “**native forest wood waste** subcategory” since this subcategory was reinstated in the REE Regulations on 27 June 2015.
2. Only one relevant certificate was created attributed to the source “**native forest wood waste** subcategory” when this sub category previously existed (from 2001 until November 2011). Following an amendment to the REE Regulations in November 2011, “**native forest wood waste** subcategory” was specifically excluded as an eligible source until its reinstatement on 27 June 2015.
3. Only one LGC (out of approximately 160,000,000 LGCs created since the beginning of the Renewable Energy Target) has been created from the subcategory attributed to the source “**native forest** subcategory”. This would equate to 0 per cent of renewable energy generated under the Renewable Energy Target from the “**native forest wood waste** subcategory”.
4. Only one LGC has been created from the subcategory attributed to the source “**native forest wood waste** subcategory”. The biomass for the one LGC attributed to “**native forest wood waste** subcategory” was in Tasmania.
5. There are five coal fired generators accredited to use wood waste, however none of these generators have created LGCs attributed to “**native forest wood waste** subcategory”.
6. The Clean Energy Regulator has a small team to administer the Large-scale Renewable Energy Target including the accreditation of power stations and validation of LGCs.

The *high-value process test* in Regulation 8 only relates to **native forest wood waste** (see subregulations 8(2)(i)(b) and (4)). As there has been no reported generation from “**native forest wood waste** subcategory” since the reinstatement of the subcategory on 27 June 2015, the Clean Energy Regulator currently has no dedicated resources allocated to this issue.