

***Update from the REA
and the Wood Heat Forum***

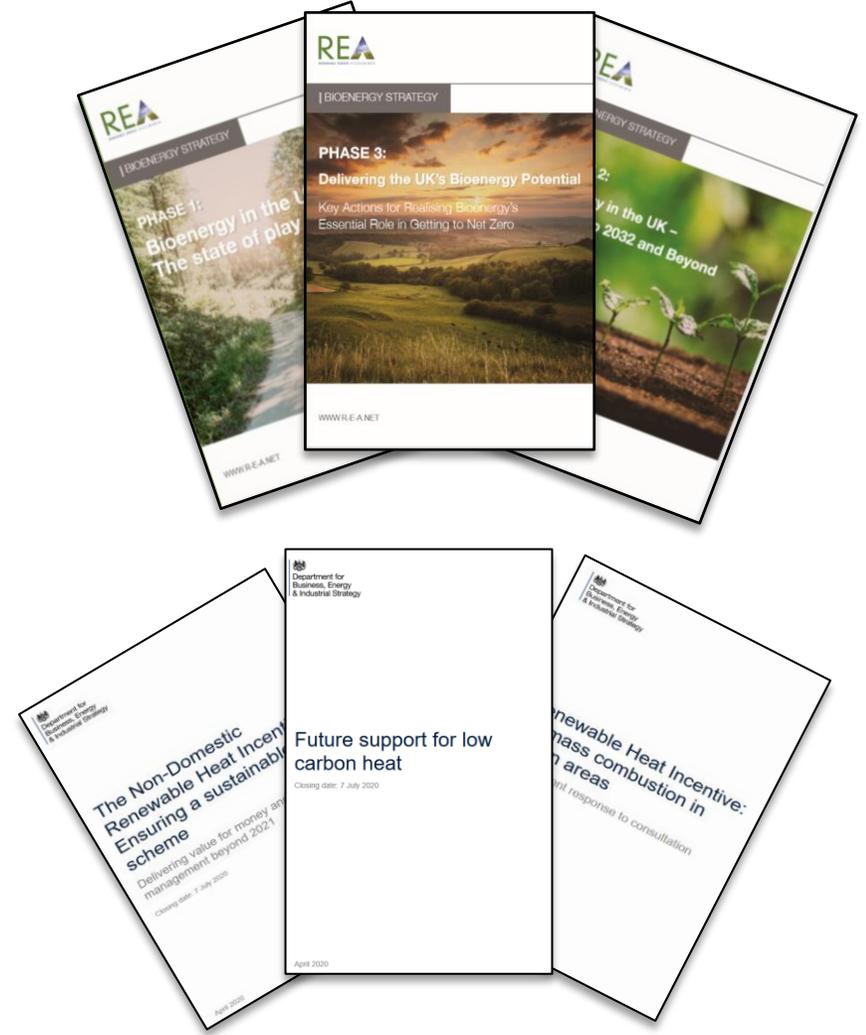
Dr. Nina Skorupska



The last twelve months has been focused on dealing with the impacts of Covid-19 and looking towards the future of heat policy.

Snap-Shot of WHA activities in the last Twelve Months

- REA Bioenergy Strategy published in Parliament Sept. 2019. Presentations to CCC, National Grid ESO and at international biomass conferences. As well as 16 MP meetings.
- 10 consultations responded to on heat policy.
- Monthly updates with senior BEIS and DEFRA officials discussing Covid-19 impacts on biomass heat sector. and heat policy.
- Ministerial Meetings
- Members roundtable discussions with BEIS officials on heat consultations
- Regular press and social media engagement (over 600 industry related tweets) promoting biomass heat.
- Direct engagement with Ofgem CEO and Director team on RHI operational Performance.



While future policy remains highly concerning, with biomass still not being well supported, we have achieved some successes :

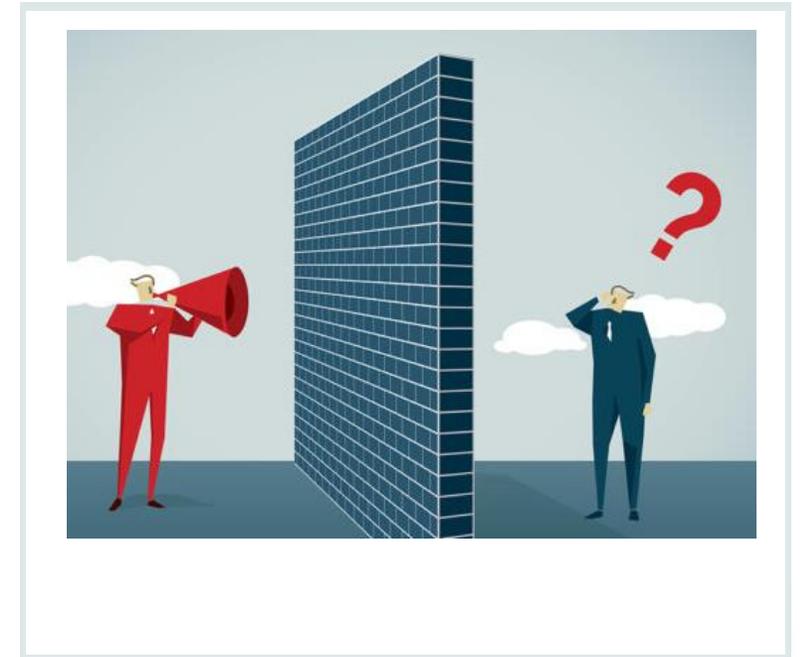
- Key worker status for biomass industry participants during the Covid-19 lockdown
- Inclusion of biomass heat within Clean Heat Grant Scheme and Green Homes Grant
- Avoided ban on support for urban biomass plants within RHI projects
- Extended commissioning time for tariff guarantee projects
- Secured 'extension applications' for RHI projects that do not qualify for tariff guarantees, providing an expected extra 6 months to commission.
- Increased government focus on bioeconomy benefits of bioenergy (England Tree Strategy and Environmental Land Management Scheme)
- Industry roundtable with Ofgem CEO highlighting operational performance issues
- Government Commitment to Publishing a new Bioenergy Strategy for the UK in 2022.

However, much much more still needs to be done...



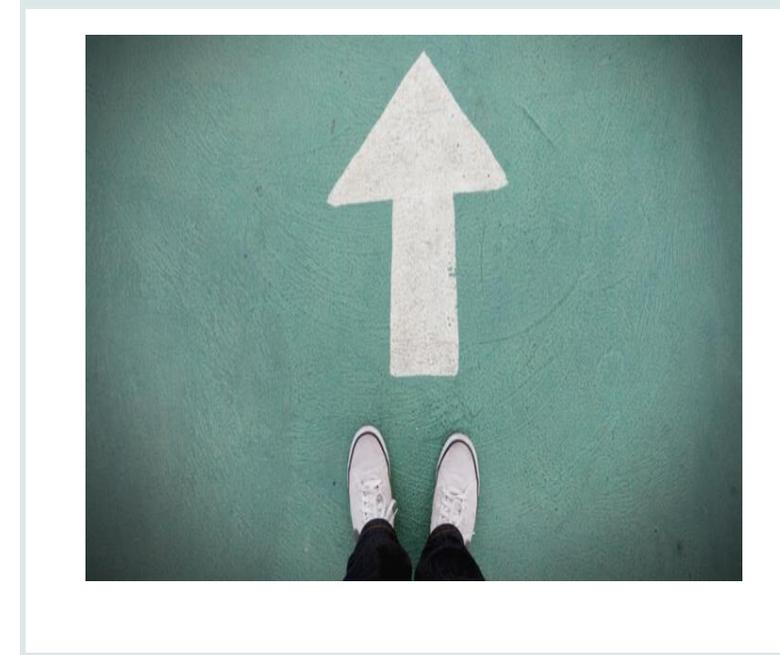
There is no hiding that future policy support for biomass heat is highly disappointing:

- Post ND-RHI support very limited for biomass heat. Clean Heat Grant focused on a very small number of domestic installations.
- Government moving towards grant-based support without addressing lessons of the past.
- Government continue to focus on air quality concerns, despite evidence to the contrary, taking decisions that will likely only allow new biomass heat installations in off gas grid areas.
- Major policy gap concerning business and industrial heat decarbonisation
- Government are sticking closely to CCC view of biomass heat having a 'niche' role, without quantifying the size of this role.
- Government increasingly focused on future solutions rather than delivering decarbonisation today.



But there are opportunities...

- ‘Energy White Paper’ and ‘Heat and Buildings Strategy’
- Net Zero Strategy Next Year
- Industrial Emission Transformation Fund, Round Two
- Pushing Government to address industrial heat policy *gap*
- Building on benefits of forestry and perennial crops through the England Tree Strategy and Environmental Land Management developments
- Informing the Governments 2022 Bioenergy Strategy – ensuring the role of Biomass Heat is recognised and challenge the CCC assumption of niche role.
- Highlighting role of biomass heat in powering heat networks – as part of Green Heat Network Fund.



Government support is getting increasingly focused. The next twelve months means ensuring Government understand the necessity of supporting biomass heat.



It was announced earlier this year that the WHA would be becoming the **Wood Heat Forum** within the REA to:

- Increase the strength and influence of our members, fully leverage the REA brand
- Allow the Board and REA staff to fully focus on its advocacy and lobbying activities, rather than administrative burdens.
- Greater membership benefits and a more unified voice.

The WHF Steering Group and REA have made clear that this decision is being taken with the expectation of focused efforts to advocate for biomass heat.

This is a strong renewal of efforts to ensure biomass heat is recognised within Government's decarbonisation plans.



Wood Heat Forum Steering Group



Julian Morgan Jones
– South East Wood
Fuels



Alasdair Peppe
– Dunster Biomass
(Scotland)



Linda Taylor
– AMP Clean Energy



Mark Thomas
– Eco-fuels



Mike Ingoldby
–Bowland Bioenergy

*..and welcoming
newly appointed
Steering Group
Members:*



Thomas Wilkins
– NFU Energy



Terence McCracken
– Innasol

*Position of **Chair** will be reopened following the conference*



**Creating a
Strategy based
on the REA
Vision**

**A future built on
renewable energy and
clean technology**



**100% RE & CT by 2050 delivering
Net Zero CO₂**



Power is completely decarbonised by 2030.

Transport is completely decarbonised by 2050
in the UK

Heat is completely decarbonised by 2050
across the economy.

Complete delivery of the circular economy
by 2050

**REA
Impact**

**Important
Pillars**

(Starts to set how the
REA will coordinate)



**REA interim
outcome**

Key milestone

**Renewables are the dominant form
of heat by 2035 across the economy**



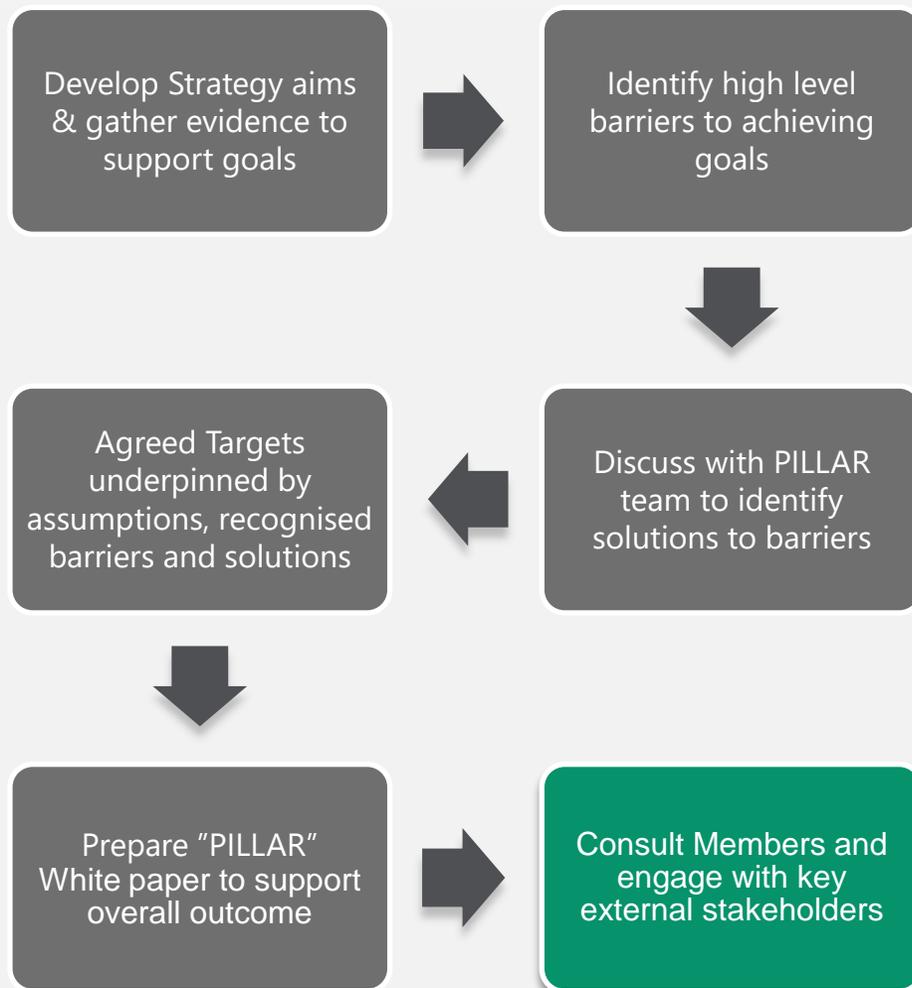
REA Key Milestone Outcome

Heat

Milestone:

Renewables are the dominant form of heat by 2035 across the economy

The Process



- There can be no doubt that the biomass industry is facing a difficult future, however there are opportunities to demonstrate the sectors potential and ensure a future supportive policy environment.
- This is dependent on industry demonstrating to Government how crucial the sector is to decarbonising heat, challenging the narrative of it having a *small 'niche' role*.
- Government must deliver a step change in heat decarbonisation and the Wood Heat Forum will ensure Biomass is seen as part of this.
- The Wood Heat Forum will be central to the development of the REA Strategy going forward, informing the association's priorities for the next year and beyond.
- The Wood Heat Forum will continue to work with and support other stakeholders to ensure the sector has a unified voice that promotes the sector and ensures its potential is realised.

