



THE ASSOCIATION
FOR RENEWABLE ENERGY
& CLEAN TECHNOLOGY

REA Gasification and Pyrolysis

26th January 2021



Agenda

	Subject
1	Review of Actions from last meeting <ul style="list-style-type: none">• Action: REA to approach BEIS to assure them CCC position is incorrect and reiterate that we do not believe ACT should be removed from Pot 2 of the CfD.• Action: REA to continue discussions on Gas Comparator with EA to explore best way forward.• Action: REA to provide updates on BEIS review progress as information becomes available and feed in as appropriate.
2	Environment Agency Update
3	BEIS Gasification/Pyrolysis Review of TRLs
4	Policy Update – Mark Sommerfeld, REA <ul style="list-style-type: none">• Energy White Paper, 10 Point Plan, CCC Sixth Carbon Budget• Biomass Strategy for 2022• Latest on next CfD allocation round• UK BAT Consultation• Green Gas Removal Call for Evidence
5	Legal Update – Brexit Related Issues
6	REA Strategy – Mark Sommerfeld
7	Date of Next Meeting





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Environment Agency Update



Quality Protocol Review

- End of last year EA confirmed intention to review three Quality Protocols (QPs) relating to **compost, anaerobic digestate and poultry litter**
- QPs are industry developed standards that are accepted by the EA as end of waste status.
- Given they are industry standards their review needs to be financed by industry
- EA are stating that a task and finish group must be established by end of May 2021
- Whilst Revision takes place existing QP remains in place
- While not directly relevant to ACT, development of a QP around syngas or Synoil products may be a route forward for the industry and as such the revision process is of relevance.





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BEIS Gasification/Pyrolysis Review of TRLs





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General Policy Update



Energy White Paper and PM 10-Point Plan

Focus on transforming energy, supporting a green recovery and creating a fair deal for consumers.

Relevant commitments:

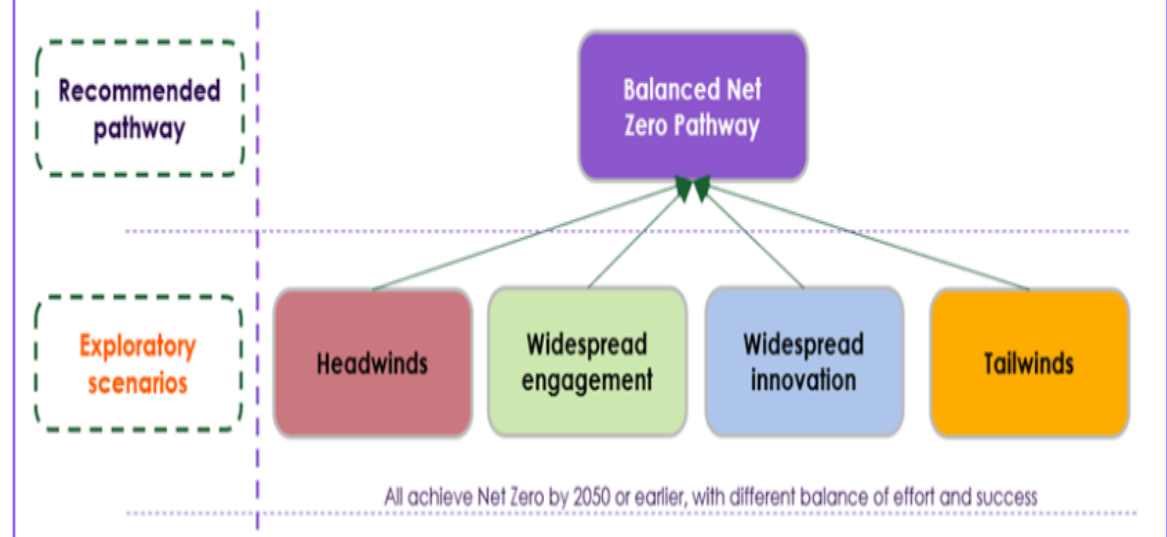
- A new Call for Evidence on longer-term changes to the CfD
- UK Emission Trading Scheme (UK ETS), started 1st January 2021. Commitment to exploring expansion to heat & transport
- Set of consultations and workshops this year to look at the future of gas
- Hydrogen Strategy 2021 – aiming for 5 GW of hydrogen production by 2030 and creation of net zero hydrogen fund.
- Industrial Decarbonisation Strategy 2021
- Governments 'Industrial Clusters Mission' aiming to deliver four low-carbon clusters by 2030 and one fully net zero cluster by 2040.
- Jet Zero and greener maritime: research project funding for zero-emission planes and ships.
- Support deployment of Carbon Capture Use and Storage and putting in place a policy framework. CfD?



Sixth Carbon Budget

The Climate Change Committee's Sixth Carbon Budget, which is the legal limit for UK net emissions of greenhouse gases over the years 2033-37, was recently announced and set the level of 965 MtCO₂e, implying a 78% reduction from 1990 to 2035

Figure 1.2 Scenario framework for the analysis in this report



“There is earlier use of biomass gasification to biomethane, before these plants transition to biohydrogen and retrofit CCS from the mid-2030s”



New Government Biomass Strategy 2022

- Consideration of the best-uses of biomass and waste resources to 2050 - Including wood in construction and the wider bio-economy

White Paper confirmed four focus areas:

- Review of the amount of sustainability biomass available in the UK;
- How it is best used to get to Net Zero ;
- A review of the UK's current biomass sustainability standards and how it can be improved 'even further'
- Consider what role biomass plays in wider environmental targets, including air quality.



Launch Consultation
with Energy White
Paper

Progress Update in
2021

Published 2022

This will be a 'cross-whitehall' workstream



Department for
Business, Energy
& Industrial Strategy



Department for
International Trade



Department
for Environment
Food & Rural Affairs



Department
for Transport



Contracts For Difference Update

- Introduction of a third, offshore wind pot in 2021 allocation round
- Introduction of definition and administrative strike price for floating offshore wind projects, which are now in Pot 2
- Exclusion of coal-to-biomass conversion projects from future CfD allocation rounds
- Extension of the negative pricing rule for future CfD contracts so that CfD generators are not paid when 'day ahead' electricity market prices are negative
- Government has indicated changes to the Supply Chain Plan requirement, aimed at encouraging the growth of sustainable, efficient supply chains. New questionnaire now being consulted on.
- Introduction of a series of further, technical changes to the operation of CfD allocation round

AR 4 expected to open late this year, we are expecting Q4.



Best Available Techniques Consultation

Consultation looking at deciding the 'Best Available Techniques' (BAT) for tackling industrial emissions following the UK's exit from the EU.

New BAT will determine environmental permitting going forward.

Seeks views on:

- Organisations and governance
- Public participation
- Scrutiny
- Policies on implementing BAT
- Evaluation of BAT (with proposal to review 6 years after being published, taking account of experiences with implementation and any technical difficulties that have arisen; also intention to evaluate the BAT regime as a whole in the early 2020s)
- Horizon scanning
- Annex A (industry sectors already covered by BAT and who will continue to be under this regime in UK law)

Joint consultation of the UK Government, Scottish Government, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland.



Green Gas Removal Call for Evidence

First Public document inviting views on the role of GGRs and how Government support will enable deployment

- Looks to gather evidence for the deployment of a policy framework to incentivise innovation, deployment and cost reductions of GGRs.
- States ambition for UK to be a leader in GGRs
- Segments GGRs into 'nature based' and 'engineered'
- Seeks views on barriers – demonstrations, financial, non-financial, accounting and environmental
- REA interested in BECCS, Biochar, Afforestation, Soil Carbon and Sequestration. Plus applications to technologies like ACTs
- Other Methods mentioned – Direct Air Capture, Enhanced weathering.





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Legal Update



Energy Chapter

- Welcome commitment to Paris Agreement and Non-regression on climate and environmental policy
- Discussions still to be had about future EU Internal Energy Market trading arrangements.
- Both parties committed to effective carbon pricing systems. Agreement to give “serious consideration” to linking respective systems

Broader Macro Economic Issues

- Import delays on part and feedstocks
- Professional Services and Qualifications
- Recognition on Standards
- Staff Travel
- VAT
- State Aid
- Horizon Europe



REA Strategy



Thank You

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