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If Energy Grew on Trees

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It is always refreshing when structures and processes work as they were designed to. It's an absolute triumph when it involves the public sector, an industry body and business. To their credit, this was our recent experience with the Productivity Commission.

Following some outspoken indignation at the poor treatment of biomass in the Commission's [Low-Emission Economy Draft Report](#) – voiced through a Bioenergy Association (BANZ) organised webinar – a member of the Commission contacted Azwood Energy directly for comment. It must be hoped that this proactive position is emulated through a reworking of the report, and that, in turn, provides a clear mandate to government, including the likes of EECA and MBIE, to welcome biomass back in from the cold.

Noticeably, over the last 12 months, government support for bioenergy has waned, while business interest waxes.

In 2016, current Leader of the Opposition, Simon Bridges, was the last Minister to attend a Bioenergy Association conference, representing the government as Minister of Energy and Resources and Associate Minister for Climate Change Issues. Mr Bridges told the conference he would be concerned, and would want to hear directly, if any government institution was to install a fossil fuel heat plant.

At a recent energy management conference in Auckland, the current Minister for Climate Change and Green Party Co-leader James Shaw discussed the topic of energising a low-emissions economy. The Minister said conversions from coal for heat plants are a "tough nut to crack" and both the Minister and Productivity Commission Chair Murray Sherwin seemed content to let the emission's trading scheme and the carbon price drive the market.

This mollifying rhetoric is detrimental to the years of work and achievements made in the bioenergy sector as government departments like EECA scramble to adjust to a new framework from a new government.

Industry, with government support over the previous nine years, has built a market for the resourceful repurposing of forestry slash, wood manufacturing by-product and biomass headed for landfill, into low-emission energy products. And with programmes like One Billion Trees, there was early confidence in the new government from many Bioenergy Association members. Yet, it seems while some factions of the coalition are promoting the planting of forestry resource, in other areas support is being withdrawn from the resourceful use of forestry by-products to replace fossil fuels and lower emissions. This is simply ill-advised and wasteful governance.



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The good people at EECA, who were initially very active in the sector, are noticeably focused in other areas (see the recent [EECA Statement of Intent](#)). Specifically, in the case of heat plant, EECA are now focused on developing technologies, despite a proven track record of successful conversions to biomass, an energy source that literally grows on trees – and never runs out.

The work completed by EECA staff in the bioenergy sector over many years has been effective. Yet, despite acknowledged progress, results were not coming as fast as expected, and conversion to bioenergy is now no longer promoted as it once was.

The market, however, has already seen about 100 new plants or conversions choose biomass instead of fossil fuel. These are plants of all sizes, in the public and private sector, across the country. Industry and organisations are responding to market factors like brand image and environmental care.

Yet support for this proven, economically viable, low-emission and local energy source is being put in the too-hard basket. Massive multinationals are actively engaging the biomass market in New Zealand – and government is content for energy to rot in slash piles on the ground, (or wash into local waterways and erode the land), whilst waiting for new technologies to be developed, or the price of carbon rises to more than \$100 /tCO₂.

The latest research, from United Nations Intergovernmental Panel on Climate Change's report, shows even the Paris Accord targets are falling well short of reducing carbon emissions, to a point of impacting climate change. And, we have a Minister for Climate Change (and Co-Leader of New Zealand's Green Party) content to let such a slow driver as the ETS dictate the pace of change for heat plants.

At the conference, Azwood Energy challenged the lack of confidence shown in wood energy having an impact in industrial heat emissions. Mr Sherwin responded positively to the challenge and personally asked Azwood to make a submission.

To shake up the industry and stir action around the Productivity Commission Draft Report, Azwood Energy was very critical of the report's treatment of biomass at a subsequent Banz event. Attending the Wood Energy Interest Group webinar were members of the Productivity Commission and following this, a senior advisor to the Commission contacted Azwood Energy to set up a meeting to review our submission.

To have four Commission staff members attend the meeting, and to receive targeted questions and feedback was encouraging. It points to the section of the Report related to heat plant and biomass being thoroughly reconsidered.

If the final Commission Report accurately reflects biomass as the renewable, low-carbon energy source that can easily replace 60% of the coal used in heat plant – then Government departments will have the direction they need to reinvest time into an already proven mechanism for reducing emissions.

This will mean people like EECA boss, Andrew Casaley, can "engage hearts and minds" by celebrating the work already achieved by biomass in energising a low emissions economy.



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Projects like Wood Energy South – with support and funding from EECA – along with wood energy supply companies like Azwood Energy and industry consultants have resulted in great numbers of conversations from fossil fuels to wood energy.

As well as in business, these conversions have taken place in schools, hospitals and community facilities like pools. Azwood Energy runs a programme where each of our client schools receives a support package to help students learn and celebrate renewable energy decisions in their community. With funding, students produce their own sustainability video and share their experiences and hopes for their future – they become engaged.

Wood energy is a proven technology, it is economically viable now, it's low carbon and it is renewable. Our forests are a local source of energy, we can be resourceful and make the most of what we have been given, today, to reduce emissions. And, we can win hearts and minds to transition to a low emissions future. It's happening.

Yet, even while we are educating the future leaders of tomorrow, it is the leaders of today that must act. And act is the operative word – action must be taken now. Government must use and support every solution available to help drive lasting change. Biomass energy is a proven part of the solution.

Article can be viewed on the Azwood Energy website [here](#).



We believe in *being resourceful...*
in making the most of what we have been given

