

15 Tihema 2021
Pānui Pāpaho/Media Statement

Industry encourages biofuels mandate to extend to gas

Gas NZ and the Bioenergy Association applaud Government's decision to implement a biofuels mandate and encourages Government to establish a similar mandate for the gas sector.

From 1 April 2023, fuel wholesalers will be required to cut the total greenhouse gas emissions for transport fuels they sell by a set percentage each year, by deploying biofuels as a part of their fuel supply, Government announced today.

Gas NZ represents the Gas Association of New Zealand and the LPG Association (LPGA). Chief Executive of the associations, Janet Carson, says the announcement is a tangible and constructive move toward a net zero carbon future by 2050 and says on the same basis, considerable gains could be made by extending a mandate to renewable gases.

"One of the things we're encouraging Government to include in its Carbon Emissions Reduction Plan and in the National Energy Strategy is a renewable gas mandate. Specifically, that Government set a renewable gas mandate, that a proportion of gas and LPG used in buildings and homes is to come from a renewable source.

"Projects like the plant recycling food wastes into biogas at Reporoa announced last week by Firstgas and Ecogas, shows how close we are to biogases in our pipeline.

"We need more of this investment in renewable gases. By building the market now, the economics of renewable gas will improve, just like it will for transport biofuels.

"The key is to start now. We do not have the luxury of time, but we do have the luxury of gas infrastructure. We have a network of pipelines, connections and appliance infrastructure already in place – what a waste not to use that infrastructure for a renewable gas industry, for biogas, hydrogen gas and bio LPG," Carson says.

Chief Executive of the Bioenergy Association, Brian Cox, is similarly backing an extended mandate.

"A renewable gas mandate is consistent with the government's sustainable transport biofuels mandate proposal. Adopting a similar mandate for gas as has been proposed for transport fuels aligns with this.

"We celebrate Government's drive to increase uptake of biofuels in Aotearoa and reducing transport emissions. We say don't stop there."

The Bioenergy Association represent bioenergy companies, and a number of energy businesses using or supplying biofuels, including Z Energy, Gull, Fonterra and Air New Zealand.

Cox says that the proposed mandate is already giving confidence to industry to expand use of biofuels.

“The big advantage of biofuels is that they can be used in existing engines and the whole vehicle doesn’t have to be replaced. “

“We are also pleased Government has committed to developing an aviation fuels mandate in 2022. Internationally, the aviation sector is adopting biofuels, the biofuels mandate supports adoption to also occur in New Zealand. This is an excellent announcement today by Energy and Resources Minister, Megan Woods,” he says.

ENDS

Further information:

Janet Carson, Chief Executive Gas NZ 027 515 3752

Brian Cox, Chief Executive Bioenergy Association 027 477 1048