

# Submission to the Native Forest Wood Waste in the Renewable Energy Target - Consultation Paper

21 October 2022

#### About EDO

EDO is a community legal centre specialising in public interest environmental law. We help people who want to protect the environment through law. Our reputation is built on:

*Successful environmental outcomes using the law.* With over 30 years' experience in environmental law, EDO has a proven track record in achieving positive environmental outcomes for the community.

**Broad environmental expertise.** EDO is the acknowledged expert when it comes to the law and how it applies to the environment. We help the community to solve environmental issues by providing legal and scientific advice, community legal education and proposals for better laws.

*Independent and accessible services.* As a non-government and not-for-profit legal centre, our services are provided without fear or favour. Anyone can contact us to get free initial legal advice about an environmental problem, with many of our services targeted at rural and regional communities.

Environmental Defenders Office is a legal centre dedicated to protecting the environment.

#### www.edo.org.au

#### Submitted to:

Department of Climate Change, Energy, the Environment and Water PO Box 6100 Parliament House Canberra ACT 2600

Lodged online: https://consult.industry.gov.au/native-forest-biomass-in-the-ret/submission

#### For further information on this submission, please contact:

Rachel Walmsley Head of Policy and Law Reform (Sydney) T: (02) 9262 6989 E: <u>rachel.walmsley@edo.org.au</u> Cerin Loane Special Counsel, Nature T: (02) 9262 6989 E: <u>cerin.loane@edo.org.au</u>

# Introduction

The Environmental Defenders Office (**EDO**) welcomes the opportunity to comment on the *Native Forest Wood Waste in the Renewable Energy Target - Consultation Paper*.<sup>1</sup> The use of native forest biomass to generate electricity has long been a concern for EDO and our clients.

**EDO submits that native forest biomass should be removed from the Renewable Energy Target** (**RET**) scheme as an eligible renewable energy source for Large-scale Generation Certificates (**LGCs**) under the *Renewable Energy (Electricity) Act 2000* (Cth) (**REE Act**) because:

- 1. it is inconsistent with the objects of the REE Act;
- 2. it has adverse environmental impacts, predominantly incentivising logging and the burning of native forest biomass, which negatively affects forests, biodiversity and the climate;
- 3. it contradicts Australia's international obligations under the *Glasgow Leaders' Declaration on Forests and Land Use*; and
- 4. excluding it from the RET would have a minimal impact on existing power stations.

# Background

Section 17 of the REE Act classifies wood waste as an eligible renewable energy source. Regulation 8(1)(e) of the *Renewable Energy (Electricity) Regulations 2001* (**REE Regulations**) includes biomass from a native forest under the definition of wood waste. Regulation 8(2) outlines conditions limiting the use of biomass from a native forest.

The concerns about the eligibility of native forest biomass within the RET centre on the adverse environmental impacts of incentivising logging and native forest biomass burning, which are of increasing importance as the global community grapples with intensifying climate and biodiversity crises (see Key Issue 2 below).

Native forest biomass was excluded as a renewable energy source under the REE Act in 2011, but reincluded in 2015.<sup>2</sup> In 2013 the Federal Labor Government responded to the Climate Change Authority's Renewable Energy Target Review by stating the 2011 amendment to exclude native forest biomass from the RET '... was made to ensure that the RET did not provide an incentive for the burning of native forest wood waste for bio-energy, which could lead to unintended outcomes for biodiversity and the destruction of intact carbon stores.'<sup>3</sup> When it was re-introduced in 2015, Federal Labor's clear position was that native

<sup>&</sup>lt;sup>1</sup> Department of Climate Change, Energy, the Environment and Water, *Native Forest Wood Waste in the Renewable Energy Target* (Consultation Paper, September 2022) ('Consultation Paper') available at: <u>https://consult.industry.gov.au/native-forest-biomass-in-the-ret</u>

<sup>&</sup>lt;sup>2</sup> See Renewable Energy (Electricity) Amendment Act 2010 (Cth); Australian Government, Multi-Party Climate Change Committee Clean Energy Agreement (2011) 47; Renewable Energy (Electricity) Amendment Bill 2015 (Cth); Commonwealth of Australia, Parliamentary Debates, House of Representatives, 2 June 2015.

<sup>&</sup>lt;sup>3</sup> Australian Government, *Australian Government Response to the Climate Change Authority's Renewable Energy Target Review Final Report* (Final Report, March 2013) 11, cited in Department of Parliamentary Services, Parliament of Australia, *Renewable Energy (Electricity) Amendment Bill 2015, Bills Digest* (Digest No 119 of 2014-15, 15 June 2015) 18 available at: https://www.aph.gov.au/Parliamentary\_Business/Bills\_Legislation/bd/bd1415a/15bd119#\_ftnref128

forest biomass should be removed from the RET stating that '*native wood waste is neither clean nor renewable*'.<sup>4</sup> Now in Government, Prime Minister Albanese has the opportunity to update the REE Act and remove native forest biomass from the definition of wood waste. This would be consistent with current science and international agreements to recognise the importance of climate and biodiversity values of forests.<sup>5</sup>

#### **Key Issues**

#### 1. Inconsistency with the objects of REE Act

The eligibility of native forest biomass within the RET is inconsistent with the objects of the REE Act, including:

**a) to encourage the additional generation of electricity from renewable sources:** The REE Act aims '(t)o encourage the additional generation of electricity from renewable resources.'<sup>6</sup> The Australian Renewable Energy Agency defines renewable energy as 'energy produced using natural resources that are constantly replaced and never run out.'<sup>7</sup> Native forest biomass is inaccurately described as a renewable energy source because while forests can regrow, this takes time, and the CO<sub>2</sub> emissions of a power plant burning native forest biomass over years accumulate faster than forest regrowth can remove them (See Key Issue 2 below).<sup>8</sup> The New South Wales Parliamentary Inquiry into sustainability of energy supply and resources (**NSW Inquiry**) found that '(f)orest biomass is not a renewable, sustainable source of energy.'<sup>9</sup> Including native forest biomass within the RET encourages electricity generation from a non-renewable energy source and detracts from incentives for genuine renewable energy investment and generation.<sup>10</sup>

**b) to reduce emissions of greenhouse gases in the electricity sector**: The eligibility of native forest biomass within the RET is also inconsistent with the object '(t)o reduce emissions of greenhouse gases in the electricity sector.'<sup>11</sup> Native forest biomass burning can be more emissive than coal and increases greenhouse gas emissions in the electricity sector (See Key Issue 2 for further details).<sup>12</sup>

<sup>&</sup>lt;sup>4</sup> Commonwealth of Australia, *Parliamentary Debates*, House of Representatives, 2 June 2015, 5431, 5501 (Mark Butler, Anthony Albanese).

<sup>&</sup>lt;sup>5</sup> See, for example, the UN Climate Change Conference, *Glasgow Leaders' Declaration on Forests and Land Use* (2 November 2021).

<sup>&</sup>lt;sup>6</sup> Renewable Energy (Electricity) Act 2000 (Cth) s 3(a) ('REE Act').

<sup>&</sup>lt;sup>7</sup> Australia Renewable Energy Agency, 'Renewable Energy' (Web Page, 2022) available at: <u>https://arena.gov.au/what-is-renewable-energy/</u>.

<sup>&</sup>lt;sup>8</sup> Brendan Mackey, David Lindenmayer and Heather Keith, *Burning Forest Biomass for Energy: Not a Source of Clean Energy and Harmful to Forest Ecosystem Integrity* (Griffith Climate Action Beacon Policy Discussion Paper, February 2022) 4; Keith et al, 'Evaluating the Mitigation Effectiveness of Forest Managed for Conservation Versus Commodity Production Using an Australian Example' (2022) 15 *Conservation Letters* 1, 7.

<sup>&</sup>lt;sup>9</sup> Legislative Assembly of New South Wales Committee on Environment and Planning, *Sustainability of Energy Supply and Resources in New South Wales* (Report 2/57, August 2021) 16.

<sup>&</sup>lt;sup>10</sup> Environmental Defenders Office, *A Roadmap for Climate Reform* (Report, 2022) 20.

<sup>&</sup>lt;sup>11</sup> REE Act (n 6) s 3(b).

<sup>&</sup>lt;sup>12</sup> Mackey, Lindenmayer and Keith (n 8) 3-4; John Sterman et al, 'Does Wood Bioenergy Help or Harm the Environment?' (2022) 78(3) *Bulletin of the Atomic Scientists* 128, 130.

**c) to ensure that renewable energy sources are ecologically sustainable:** The REE Act also aims '(t)o ensure that renewable energy sources are ecologically sustainable'.<sup>13</sup> The NSW Inquiry noted that:

"...(m)any inquiry participants told us that this form of bioenergy leads to deforestation, produces more emissions than fossil fuels, reduces the number of older trees that can reabsorb carbon from the atmosphere, and negatively impacts on biodiversity. It is also an expensive form of energy generation."<sup>14</sup>

As noted above, this led to the NSW Inquiry finding that '(f)orest biomass is not a renewable, sustainable source of energy.' The issues raised in the NSW Inquiry are explored further in Key Issue 2 below. Native forest biomass is not an ecologically sustainable renewable energy source, contradicting the REE Act's objectives.

d) to contribute to the achievement of Australia's greenhouse gas emissions reduction targets:

The eligibility of native forest biomass is also inconsistent with the object '(t)o contribute to the achievement of Australia's greenhouse gas emissions reduction targets.'<sup>15</sup> Australia recently committed to reduce emissions by 43% from 2005 levels by 2030.<sup>16</sup> Burning forest biomass causes immediate CO<sub>2</sub> emissions,<sup>17</sup> which cannot be sequestered within the time required to uphold Australia's obligations under the Paris Agreement. The inclusion of native forest biomass within the RET is inconsistent with Australia's greenhouse gas emissions reduction targets.

#### 2. Adverse environmental impacts

There are several adverse environmental impacts associated with native forest biomass use.

## a) Intensifying logging impacts on forests and biodiversity

The eligibility of native forest biomass within the RET risks intensifying logging, which in turn negatively impacts forest ecosystem integrity and biodiversity.<sup>18</sup> By including native forest biomass as an eligible renewable energy source for LGCs, the REE Act provides a market incentive for logging, resulting in increased native forest logging.<sup>19</sup> Logging undermines forest ecosystem integrity by harming forest biological diversity, including species loss, key ecological processes and adaption abilities.<sup>20</sup> For

<sup>&</sup>lt;sup>13</sup> REE Act (n 6) s 3(c).

<sup>&</sup>lt;sup>14</sup> Legislative Assembly of New South Wales Committee on Environment and Planning, *Sustainability of Energy Supply and Resources in New South Wales* (Report 2/57, August 2021) 34.

<sup>&</sup>lt;sup>15</sup> REE Act (n 6) s 3(d).

<sup>&</sup>lt;sup>16</sup> Department of Climate Change, Energy, the Environment and Water, 'Australia Submits New Emissions Target to UNFCCC' (Media Release, 16 June 2022).

<sup>&</sup>lt;sup>17</sup> Mackey, Lindenmayer and Keith (n 8) 3.

<sup>&</sup>lt;sup>18</sup>Mackey, Lindenmayer and Keith (n 8) 2-3; Annie Riddle, *Timber Harvesting on Federal Lands* (Congressional Research Service Report, 28 July 2021); Matthew Hethcoat et al, 'Mapping Pervasive Selective Logging in the South-Wet Brazilian Amazon 2000-2019' (2020) 15(9) *Environmental Research Letters*; Qian Zhang et al, 'Global Timber Harvest Footprints of Nations and Virtual Timber Trade Flows' (2020) 250(4) *Journal of Cleaner Production*; Evgeny Shvetsov et al, 'Increasing Fire and Logging Disturbances in Siberian Boreal Forests: A Case Study of the Angara Region' (2021) 16(11) *Environmental Research Letters*. <sup>19</sup> Mackey, Lindenmayer and Keith (n 8) 3, 5.

<sup>&</sup>lt;sup>20</sup>Mackey, Lindenmayer and Keith (n 8) 3, 5;

example, logging has impacted forest tree composition, which depletes tree resources for the Southern Great Glider (*Petauroides volans*) and Koala (*Phascolarctos cinereus*), which are both now endangered.<sup>21</sup>

While the REE Regulation 8(2)(a) states that wood waste is only eligible under the RET if it is 'harvested primarily for a purpose other than biomass for energy production',<sup>22</sup> this is difficult to regulate and enforce.<sup>23</sup> Regulation 8(2)(b) limits the use of native forest biomass to either a by-product or waste product of a harvesting operation intended for high value processes or that adheres to ecologically sustainable forest management principles.<sup>24</sup> Such so called 'waste' plays a key role in forest ecosystems.<sup>25</sup> Biomass, whether it is living or dead, is critical for forest ecosystem's carbon nutrient water stocks and flow.<sup>26</sup> Timber that has fallen on a forest floor provides important habitat for forest biodiversity.<sup>27</sup> Regulation 8(2)(c) further provides that native forest harvesting operations must be approved under Commonwealth, State or Territory planning and approval processes and in accordance with a Regional Forest Agreement or at a standard of ecologically sustainable forest management equivalent to such an agreement.<sup>28</sup> The Samuel Review critiqued the inconsistency between State approval processes and their ability to deliver on the objectives of the Environment Protection Biodiversity and Conservation Act 1999 (Cth), which include promoting ecologically sustainable development and the conservation of biodiversity.<sup>29</sup> The ability for Regional Forest Agreements to protect forests has also been critiqued.<sup>30</sup> Therefore, the current limitations on the use of native forest biomass to generate electricity do not adequately ensure the protection of forest ecosystem integrity.

# b) Increased CO<sub>2</sub> Emissions Impacts on Climate Change

The idea that the burning of native forest biomass is carbon neutral is misleading as it contributes to increased atmospheric emissions and climate change.<sup>31</sup> The idea relies on the assumption that future

210603 Inquiry into the longterm sustainability of the timber and forest products industry EDO submission.pdf; <sup>24</sup> Renewable Energy (Electricity) Regulations 2001 reg 8(2)(b).

<sup>&</sup>lt;sup>21</sup> Jessie Au et al, 'A Nutritional Mechanism Underpinning Folivore Occurrence in Disturbed Forests (2019) 453 *Forest Ecology and Management* 117585.

<sup>&</sup>lt;sup>22</sup> Renewable Energy (Electricity) Regulations 2001 reg 8(2)(a).

<sup>&</sup>lt;sup>23</sup> See for example comparable concerns over application of 'primary purpose' in protocol 31.4(3) of CIFOA in Environmental Defenders Office, *Submission to the Inquiry into the Long Term Sustainability and Future of the Timber and Forests Products Industry* (3 June 2021) 18, available at: <u>https://www.edo.org.au/wp-content/uploads/2021/06/aa6651e94f2a-</u>

<sup>&</sup>lt;sup>25</sup> Mackey, Lindenmayer and Keith (n 8) 5.

<sup>&</sup>lt;sup>26</sup> David Schimel et al, 'Continental Scale Variability in Ecosystem Processes: Models, Data, and the Role of Disturbance' (1997) 67(2) *Ecological Society of America* 251-271.

<sup>&</sup>lt;sup>27</sup> David Lindenmayer et al, 'The Ecological Role of Logs in Australian Forests and the Potential Impacts of Harvesting Intensification on Log-Using Biota' (2002) 8(2) *Pacific Conservation Biology* 121-140.

<sup>&</sup>lt;sup>28</sup> Renewable Energy (Electricity) Regulations 2001 reg 8(2)(c).

<sup>&</sup>lt;sup>29</sup> Graeme Samuel, *Independent Review of the EPBC Act – Final Report* (Final Report, October 2020) 14 available at: https://epbcactreview.environment.gov.au/resources/final-report; *Environment Protection Biodiversity and Conservation Act* 1999 (Cth) s 3(1)(b)-(c).

<sup>&</sup>lt;sup>30</sup> See for example David Lindenmayer, 'Flawed Forest Policy: Flawed Regional Forest Agreements' (2018) 25(3) *Australasian Journal of Environmental Management* 258-266.

<sup>&</sup>lt;sup>31</sup> Mackey, Lindenmayer and Keith (n 8) 3; Dominick DellaSala et al, 'Red-Listed Ecosystem Status of Interior Wetbelt and Inland Temperate Rainforest of British Columbia, Canada' (2021) 10(8) *Land* 775; David Lindenmayer et al, 'The Ecological Roles of Logs in Australian Forests and the Potential Impacts of Harvesting Intensification on Log-Using Biota' (2022) 8(2) *Pacific Conservation Biology* 121-140.

tree growth will remove the emissions generated from burning forest biomass. <sup>32</sup> There is consistent, well documented science demonstrating this assumption is misleading.<sup>33</sup> Burning woody biomass releases immediate CO<sub>2</sub> emissions into the atmosphere as carbon makes up around a half of the dry weight of trees.<sup>34</sup> Burning forest biomass can produce more CO<sub>2</sub> emissions per energy unit than burning coal. For example, burning green wood chips results in 50% more CO<sub>2</sub> per megawatt hour of energy than coal.<sup>35</sup> The burning of wood emits around 25% more CO<sub>2</sub> per joule of primary energy than fuel oil and around 75% more than 'natural' gas.<sup>36</sup> Compared with all fossil fuels, wood bioenergy emits more CO<sub>2</sub> per kilowatt-hour of power generated.<sup>37</sup> The wood supply chain, which includes the fossil fuels needed for the harvesting, transporting, drying and processing procedures to use wood waste, also emits more CO<sub>2</sub> emissions than that for coal.<sup>38</sup> Forests act as sources of carbon storage and sequestration, playing an important role in mitigating CO<sub>2</sub> emissions.<sup>39</sup> However, forest regrowth takes substantial time and cannot absorb CO<sub>2</sub> emissions with the needed urgency to adhere to obligations under the Paris Agreement, resulting in increased emissions and contributing to climate change.<sup>40</sup>

The idea of burning forest biomass as carbon neutral is also enforced by the application of the United Nations Framework Convention on Climate Change (**UNFCCC**) reporting and accounting rules.<sup>41</sup> The IPCC advises biomass burning emissions should be accounted for in the land sector and not the energy sector, resulting in biomass appearing as zero in the energy sector and being misunderstood as having zero impact.<sup>42</sup> Further, the accounting and reporting requirements to the UNFCCC of Land Use, Land-Use Change and Forestry (**LULUCF**) Forest land does not accurately reflect the gross emissions of logging.<sup>43</sup>

The Australian public is overwhelmingly concerned about climate change.<sup>44</sup> The impacts of burning native forest biomass on increasing CO<sub>2</sub> emissions is not aligned with public concerns about addressing climate change. Removing native forest biomass from the RET would send a clear signal that burning

<sup>34</sup> Mackey, Lindenmayer and Keith (n 8) 3.

 <sup>&</sup>lt;sup>32</sup> Mackey, Lindenmayer and Keith (n 8); Anuj Kumar, Stergios Adamopoulos, Dennis Jones and Stephen Amiandamhen, 'Forest Biomass Availability and Utilization Potential in Sweden: A Review' (2021) 12 *Waste and Biomass Valorization* 65, 65-80.
<sup>33</sup> Mackey, Lindenmayer and Keith (n 8) 3; Timothy Searchinger et al, 'Europe's Renewable Energy Directive Poised to Harm Global' (2018) 9(1) *Nature Communications* 1-4; Michael Norton et al, 'Serious Mismatches Continue Between Science and Policy in Forest Bioenergy' (2019) 11 *GCB Bioenergy* 1256-1263.

<sup>&</sup>lt;sup>35</sup> Ibid 3.

<sup>&</sup>lt;sup>36</sup> New South Wales Environment Protection Authority, *NSW State of the Environment 2018* (Report, 2018) available at: <u>https://www.epa.nsw.gov.au/-/media/epa/corporate-site/resources/state-of-the-environment/18p1370-nsw-state-of-the-environment-2018.pdf?la=en&hash=788CC9360A6EDE278CE493B9CAC90AE580DA0E1C.</u>

<sup>&</sup>lt;sup>37</sup> Partnership For Policy Integrity, *Air Pollution from Biomass Energy* (Report, April 2011) available at: <u>https://www.pfpi.net/wp-</u> <u>content/uploads/2011/04/PFPI-air-pollution-and-biomass-April-2011.pdf</u>

<sup>&</sup>lt;sup>38</sup> John Sterman et al, 'Does Wood Bioenergy Help or Harm the Environment?' (2022) 78(3) *Bulletin of the Atomic Scientists* 128, 130.

<sup>&</sup>lt;sup>39</sup> Keith et al, 'Evaluating the Mitigation Effectiveness of Forest Managed for Conservation Versus Commodity Production Using an Australian Example' (2022) 15 *Conservation Letters* 1, 2.

<sup>&</sup>lt;sup>40</sup> Michael Norton et al, 'Serious Mismatches Continue Between Science and Policy in Forest Bioenergy' (2019) 11 *CGB Bioenergy* 1256, 1257.

<sup>&</sup>lt;sup>41</sup> Mackey, Lindenmayer and Keith (n 8) 4.

<sup>&</sup>lt;sup>42</sup> Intergovernmental Panel on Climate Change, 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, vol 1 chp 1.1, 2019.

<sup>&</sup>lt;sup>43</sup> Mackey, Lindenmayer and Keith (n 8) 4.

<sup>&</sup>lt;sup>44</sup> The Australia Institute, 'All Time High of 75% of Australians Concerned about climate Change' (Media Release, 13 October 2021).

native forest biomass for electricity is inconsistent with Australia's broader climate and biodiversity policies.

# 3. Upholding International Obligations

Australia endorses the *Glasgow Leader's Declaration on Forests and Land Use* (**Glasgow Declaration**), which aims to conserve forests and accelerate their restoration as well as 'facilitate the alignment of financial flows with international goals to reverse forest loss and degradation.'<sup>45</sup> The Glasgow Declaration acknowledges the important role forests play in combatting climate change and biodiversity loss.<sup>46</sup> The inclusion of native forest biomass within the RET undermines this goal and Australia's obligations under the Glasgow Declaration.

Further, the Glasgow Declaration notes the importance of halting and reversing forest loss and land degradation in upholding commitments under various international agreements that Australia is also party to such as the UN Framework Convention on Climate Change and the Paris Agreement, the Convention on Biological Diversity and the Sustainable Development Goals.<sup>47</sup>

The *IPBES-IPCC Co-Sponsored Workshop Report on Biodiversity and Climate Change* also emphasises the interlinked nature of biodiversity loss and climate change. This report concludes that solutions to addressing the compounding effects of these crises requires coordinated solutions, including that 'avoiding and reversing the loss and degradation of carbon and species-rich ecosystems on land...is of the highest importance.'<sup>48</sup>

# 4. Minimal Impact on Power Stations

Since the 2015 amendments to re-include native forest biomass under the REE Regulations, only one of 22 power stations accredited by the Clean Energy Regulator (**CER**) to use wood waste is permitted to use native forest biomass.<sup>49</sup> This power station is not granted LGCs when using native forest biomass. The Consultation Paper states it is unlikely there will be any new forest biomass stations in the next eight years, given the RET reaches the end of its life in 2030 and the high costs of electricity generation using native forest biomass results in low financial incentive.<sup>50</sup> Therefore, removing native forest biomass from the RET now will have a minimal impact on power stations, making it a suitable time to undertake the legislative amendment.

If native forest biomass were to remain eligible under the RET, it would provide an opportunity for new power stations to seek to burn native forest biomass. For example, Hunter Development Brokerage Pty

<sup>&</sup>lt;sup>45</sup> UN Climate Change Conference, *Glasgow Leader's Declaration on Forests and Land Use* (2 November 2021).

<sup>&</sup>lt;sup>46</sup> Adriana Erthal Abdenur, *The Glasgow Leaders' Declaration on Forests: Déjà vu or Solid Restart* (Policy brief, United Nations University, 2022) 1 available at: <u>http://collections.unu.edu/eserv/UNU:8669/COP26ForestGovernance.pdf</u>.

<sup>&</sup>lt;sup>47</sup> UN Climate Change Conference, Glasgow Leader's Declaration on Forests and Land Use (2 November 2021).

<sup>&</sup>lt;sup>48</sup> Hans-Otto Portner et al, *IPBES-IPCC Co-Sponsored Workshop Report on Biodiversity and Climate Change* (Workshop Report, 2021) 17.

<sup>&</sup>lt;sup>49</sup> Consultation Paper (n 1) 6.

<sup>&</sup>lt;sup>50</sup> Ibid 8.

Ltd (trading as HDB Town Planning and Design) (**HDB**) recently sought to modify an existing planning approval to allow the burning of native forest biomass at its Redbank Power Station in the NSW Hunter Valley. The original conditions of consent for the power station allowed the burning of coal tailings from the nearby Warkworth and Lemington mines, however the power station has been in care and maintenance mode since October 2014. Under the modified proposal, HDB was seeking to reopen Redbank Power Station, using up to 100% biomass to generate electricity. If approved, the proposal could see 850,000 tonnes of native forest biomass burnt annually to generate electricity.<sup>51</sup> However, in June 2022, the NSW Land and Environment Court decided (on appeal brought by HDB) that it did not have power to grant the approval sought by HDB and dismissed its appeal.<sup>52</sup> It is not known if the proponent will continue to pursue the proposal (for example, by lodging a new development application).

## **Transitional provisions**

When the REE Regulations were amended to remove native forest biomass eligibility in 2011, transitional arrangements were made for the affected 22 power stations.<sup>53</sup> The impact was that native forest electricity producers would no longer receive Renewable Energy Certificates, but they could continue to operate.<sup>54</sup> Similar transitional provisions would be suitable in this instance.

# Conclusion

**EDO submits that the eligibility of native forest biomass should be removed from the RET**. As the climate and biodiversity crises compound and amplify, it is increasingly important to uphold the objectives of the REE Act, avoid the adverse impacts of burning native forest biomass and uphold Australia's international environmental obligations. This can be achieved with a minimal impact on existing power stations.

<sup>&</sup>lt;sup>51</sup> See Statement of Environmental Effects, Section 4.56 Application to Modify DA 183/93, Redbank Power Station, prepared for Hunter Energy Pty Ltd by hdb, October 2020, available at

https://portal.singleton.nsw.gov.au/RedDocServ24/default.aspx?DocID=dcLZu6OlRkw%3D

<sup>&</sup>lt;sup>52</sup> Hunter Development Brokerage Pty Limited trading as HDB Town Planning and Design v Singleton Council [2022] NSWLEC 64, available at <u>https://www.caselaw.nsw.gov.au/decision/18121985286fdbe1d758652c</u>

 $<sup>^{\</sup>rm 53}$  Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5) (Cth) cl 4.

<sup>&</sup>lt;sup>54</sup> Renewable Energy (Electricity) Amendment Regulations 2011 (No. 5) (Cth) cl 4; See also Australian Government, Multi-Party Climate Change Committee Clean Energy Agreement (2011) 47.