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Statement from Bioenergy Association

Biogas can be a strategic pillar to energy security

The Bioenergy Association says that "Biogases are not just a niche renewable, they can be a strategic pillar to energy security, decarbonisation and circular economy integration. With the right policy framework, investment signals and infrastructure alignment we can significantly reduce reliance on energy import, while creating a local value chain."

Brian Cox of the Bioenergy Association, says that "Following MBIE's latest petroleum reserves release, which showed New Zealand's proven and probable gas reserves fell 23% year-on-year to 731 PJ, the lowest level recorded in more than 20 years, that strategic action is required now".

"The decline represents a loss of approximately 217 PJ of gas reserves in a single year, while forecast domestic gas production for 2026 is now expected to fall to around 85 PJ."

Against this backdrop, there is growing industry concern that New Zealand is not moving quickly enough to develop scalable renewable gaseous fuel alternatives such as biogas and biomethane.

A recent industry strategy produced by GasNZ highlighted a potential 25 PJ annual biomethane opportunity from New Zealand organic waste streams if supported by enabling policy settings, investment frameworks, and market development mechanisms.

To put that into perspective, a fully enabled biomethane sector could potentially replace around one-quarter to one-third of New Zealand's forecast annual domestic gas production over time making it one of the most material renewable gas opportunities currently available.

While Government has acknowledged the opportunity through the Government Statement on Biogas and the Energy Efficiency and Conservation Authority's feedstock assessment work, there are growing questions around whether current policy and market development efforts match the urgency of the emerging gas supply challenge.

While LNG may be a solution for the short-term New Zealand needs to be working now on a long-term gas supply so that:

- we transition to a Home Grown energy supply and not be dependent on energy controlled by international geopolitical activities which will set energy costs;
- we understand what the 23% decline in gas reserves means for New Zealand's energy security outlook;
- we can ramp up production of biomethane which is increasingly being viewed as both a decarbonisation and resilience solution;
- plan for the investment for production of a potential 20–25 PJ domestic biomethane resource;

Mr Cox said that "Investment in gaseous biofuels depends on Government agencies moving fast enough beyond feasibility studies and policy statements so that we understand and can plan for;

- how existing gas infrastructure could support a renewable gas transition;
- investment, regulatory, or market mechanisms that may be needed to accelerate deployment.

The latest natural gas reserves data may mark the point where biomethane shifts from being viewed as a niche decarbonisation opportunity to a strategic energy security issue for New Zealand.

Ends

Additional information

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Organic Residues to Bioenergy key information

www.biogas.org.nz

1. Organic-to-bioenergy systems generate renewable heat and electricity through anaerobic digestion and bio-processing of organic residual streams, converting underutilised resources into valuable energy products.
2. The use of organic residual streams for energy production is an important component of the circular economy, recovering value from biological materials while supporting sustainable resource use.
3. New Zealand has the opportunity to significantly reduce landfill reliance by recognising organic residual streams as a valuable domestic energy resource.
4. Significant opportunities exist to co-locate bioenergy facilities processing organic liquid and solid residual streams with industrial heat users, displacing fossil fuels for the generation of heat and power.
5. Strong synergies also exist between bio-processing facilities and wastewater treatment plant upgrades. Modern bioenergy systems can generate renewable energy and revenue streams that help offset operating costs for local government while improving environmental performance.
6. Diverting organic residual streams into bioenergy production can reduce greenhouse gas emissions, improve community resilience, reduce pressure on landfill and wastewater infrastructure, and create new economic opportunities through the production of renewable electricity, heat, and bio-based products.

7. Bio-processing technologies for organic materials and wastewater are well proven internationally and can often operate with a smaller footprint than many traditional wastewater and land-disposal systems.
8. Technologies for processing both liquid and solid organic residual streams are mature, internationally accepted, and readily adaptable for New Zealand conditions, helping to minimise technology risk while accelerating deployment opportunities.