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NEWS | BIOGAS

Biogas could plug NZ's growing energy gap



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Biogas could replace up to a third of forecast annual domestic gas production and needs to be recognised as a strategic pillar of New Zealand's energy security, the Bioenergy Association says.



The association's executive officer, Brian Cox, says the 23 per cent year-on-year fall of proven and probable gas reserves to 731 petajoules - the lowest level recorded in more than 20 years - released by the Ministry of Business, Innovation, and Employment last week shows that "strategic action is required now".

Cox says 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".

The association points to the recent GasNZ industry strategy which highlighted a potential 25 petajoules of annual biomethane from New Zealand organic waste streams, and the Bioenergy Association's Gaseous Biofuels Interest Group has also set targets for 5 PJ of biogas production by 2027, 12 PJ by 2035 and 20 PJ by 2050.

But reaching those production milestones needs support from enabling policy settings, investment frameworks, and market development mechanisms, the association says.

"Biogases are not just a niche renewable, they can be a strategic pillar to energy security, decarbonisation and circular economy integration," Cox says.

"With the right policy framework, investment signals and infrastructure alignment we can significantly reduce reliance on energy import, while creating a local value chain."

Industry concern

Cox says that MBIE's reserves data is set against the backdrop of growing industry concern that New Zealand is not moving quickly enough to develop scalable renewable gaseous fuel alternatives such as biogas and biomethane.

The association has calculated that, in the long term, renewable gas can cut New Zealand's emissions by 1.08 million tonnes of carbon dioxide in hard-to-abate industries at a competitive cost.

Although the opportunity has been acknowledged in 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".

The association says it is important that the Government gains an understanding of what the 23 per cent gas reserves decline means for New Zealand's energy security outlook.

It says that while liquefied natural gas may be a solution for the short term, work needs to begin now on a long term gas supply to enable a transition to a home-grown energy supply rather than becoming dependent on energy controlled by international geopolitical activities which will set energy costs.

Cox says that investment in gaseous biofuels depends on Government agencies moving "fast enough beyond feasibility studies and policy statements" and begin looking at what investment, regulatory, or market mechanisms are needed to support a ramp up of domestic biomethane production.

That would help the sector and country to understand and plan for how existing gas infrastructure could support a renewable gas transition.

Organic residues

Cox says there are significant circular economy opportunities to reduce organic waste going to landfills by recovering value from biological materials for energy use through anaerobic digestion and bio-processing.

Not all biogas needs to be upgraded to biomethane, he says.

The association sees that there are significant opportunities 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.

There are also strong synergies between bio-processing facilities and wastewater treatment plant upgrades with modern bioenergy systems able to generate renewable energy and revenue streams that help offset operating costs for local government while improving environmental performance.

The association says bio-processing technologies for both organic materials and wastewater are well proven internationally and can often operate with a smaller footprint than many traditional wastewater and land-disposal systems.

"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."