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Bioenergy in Ireland: Where are we and where to next?

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The bioenergy sector could be the hidden gem of the renewable energy sector over the coming years, and there have been recent positive developments for the sector, with the drafting of the EU mandated National Renewable Energy Action Plan (NREAP), the production of the Bioenergy Roadmap, produced by the Sustainable Energy Authority of Ireland (SEAI), and the announcement of revised Renewable Energy Feed Tariffs (REFIT) for electricity produced from biomass.

The NREAP sets a target of 12% of head demand to be met from renewable sources by 2020, starting from a base of 1 or 2%. The majority of this will be delivered using biomass heating. The majority of our 10% renewable transport target is also likely to be met from biomass resources, and a part of the renewable electricity target of 40%. The right policies and a strong industry are needed to meet this demand. Organisations such as Bord Gáis have taken the lead in this space, with their report, 'The Future of Renewable Gas in Ireland', produced in association with UCC. This is a strong positive for the sector, indicating the very real role that bioenergy can play as part of the national fuel mix.

A range of biomass resources and technologies is required for the development of the sector – forest thinning, dedicated energy crops, organic waste materials will be used in large and small scale applications and there is great potential for the development of existing resources and the further development of such resources in Ireland.

Going forward, it will be necessary to create indigenous expertise to develop and install bioenergy projects at a much more rapid rate than see to date. Projects need to encompass best-practice in design and should be solidly financed and based on rigorous business planning. While improvement has been observed in terms of the REFIT subsidy for bioenergy projects, announced in 2010, more certainty is required in terms of financially developing bioenergy facilities. Areas of uncertainty around financial planning for facilities can easily be removed by clear indication of processes relating to, for example, grid connection, where an about-turn by the Commission for Energy Regulation (CER) was seen in 2010 in relation to the connection of small scale

renewable generators to the grid. Further certainty in relation to the planning process would also remove uncertainty in the industry, leading to a strong base from which to develop and finance facilities.

Large-scale infrastructure will play an important part in the development of the bioenergy industry. Our large peat power plants are obliged to operate with 30% biomass co-fuelling and 2010 was significant in this regard, with the roll out of biomass planting contracts with Bord na Móna partnering with numerous farmers to grow willow to feed these plants. With plans to have up to 5,000 hectares planted by 2015, this is a positive example of the economic development potential of the sector which will result in the creation of jobs and income for individuals looking to diversify from traditional agriculture. Industrial CHP applications will also consume biomass with a number of applications currently in the planning regime for the development of these types of facilities. District heating will need to be implemented within our large city infrastructure to enable efficient supply of renewable heat. An example of this is seen with the waste to energy facility at Poolbeg, which will produce renewable energy from the biomass within the waste stream, and which has the potential to heat up to 100,000 homes.

Economic modelling carried out by SEAI shows that an investment of €6,600 in the bioenergy sector will produce one full-time employment position for one year with 80% of the resulting income remaining within 50 miles of where it is earned. When viewed against the current unemployment of c.460, 000 with an annual jobseekers allowance of approximately €10,000, the case for the support and development of the sector is clear.

The current policy environment, while certainly moving in the right direction, needs to be developed further to create confidence for investors, consumers and people involved in delivering bioenergy projects, resources and technologies to the market.

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