

Media Release



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NEG best plan yet to balance affordability, reliability and renewable transition

As consultation closes, the Australian Forest Products Association (AFPA) congratulates the Federal Minister for Energy and Environment, Josh Frydenberg for progressing the National Energy Guarantee (NEG), CEO of AFPA, Mr Ross Hampton said today.

“The NEG, if well designed, is Australia’s best plan yet to balance the key objectives of energy affordability, energy reliability and the transition to a renewable energy, lower carbon future in line with Australia’s international climate change commitments,” Mr Hampton said.

“Australia’s forest industries are facing an energy crisis of rapidly increasing costs yet could still make a significant contribution to delivering secure, reliable and affordable energy and lower emissions, through the recognition of the huge potential of renewable bioenergy and renewable heat energy. It would also help sustain manufacturing operations, providing much needed regional investment and jobs in Australia.

“Investing in bioenergy can significantly contribute to both guarantees under the NEG. Bioenergy is a unique renewable source that can be used across all three energy sectors (transport, heat and electricity). Bioenergy can be both dispatchable and deliver baseload power 24 hours a day, 7 days a week. Biomass waste and residues can partially substitute for coal in coal fired power station units. Bioenergy is well suited to powering many existing regional manufacturers and communities. Bioenergy assets located in those communities will reduce transmission losses and distribution costs.

“Australia’s forest industries will continue to work with the Government on the design of the NEG including on issues such as the framework for offsetting carbon credits and managing the impact of climate change policy on emissions intensive and trade exposed domestic industries. Further, AFPA urges all political parties to support a consensus position on the NEG to underpin certainty to our renewable forest industries,” Mr Hampton concluded.

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AFPA represents forest growers, harvesters, and manufacturers of timber and paper products.

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