

Heat and Power from Renewable Biomethane Procurement Compact

"We, the signatories of this Procurement Compact, represent a broad group of companies and organisations which occupy, manage and develop commercial buildings. We each have our own commitments to reducing carbon emissions arising from our operations (particularly our buildings) and many of us share a further need to reduce operational carbon emissions as a result of other UK policies.

Existing solutions for onsite renewable energy generation, such as PV and wind turbines, can only address a fraction of our needs and can be difficult to deploy, for example when our properties are located in urban areas where there is limited space.

We have identified that biomethane could make an important contribution to our renewable energy requirements if its use could be decoupled from its point of generation using the gas grid. In this way, biomethane generated in rural areas could be transmitted through the gas grid to provide renewable fuel for heat and power at our properties.

We would enter into contracts for additional new biomethane production with suppliers provided we can decouple biomethane generation and

use in this way. We believe this will create an important market pull that will open up new business models as well as technology options and justify more investment in biomethane generation. These demand-side market measures complement the supply-side cost-relief measures such as the Renewable Heat Incentive, which would be unaffected by this proposal.

It will help us meet our respective carbon targets, it will create liquidity in the biomethane market, increase the production of biomethane in the UK, and thus deliver a significant contribution to the UK's 2020 Renewables Target.

The publication of this Procurement Compact launches a period of consultation with the supply chain. We are calling on the supply chain, both suppliers of AD gas and technology providers, to propose how our requirement might be met and highlight perceived barriers to their delivery.

We have an urgent requirement for cost effective onsite renewable heat or power from biomethane and will support, where appropriate, the progressive expansion of the use of sustainably produced biomethane as a renewable fuel for onsite heat and power."

Invitation to suppliers - call for expressions of interest

Suppliers and stakeholders are encouraged to participate here www.cpsl.cam.ac.uk/procurement or further information can be provided at UKprocurement@cpsl.cam.ac.uk.