

PRESS RELEASE

Creating incentives for biogas as a fuel in the transport sector
EnviTec Biogas calls for an urgent rethink in the climate debate

Lohne/Saerbeck, 12 September 2018 – Is biogas the ‘wild card’ that’s needed to help achieve the German government’s climate goals? It could well be, since the coalition government is forecast to miss its impressive climate target – a 40% reduction in greenhouse gases by 2020 compared to 1990 – by more than expected, with savings of just 32%. A failed opportunity, according to biogas all-rounder EnviTec Biogas AG. “Nor have any concrete measures still capable of achieving this target been proposed to date – which is even more perplexing, given the ready availability of solutions,” comments CFO Jörg Fischer at the end of the German parliament’s summer recess.

He is adamant that there is no time to waste in ensuring that lawmakers turn their attention back to the rapid expansion of climate-friendly renewables. Moreover, as Fischer points out, this is an entirely legitimate request, since biomethane is an all-rounder that can make a long-term contribution to decarbonisation in all consumption sectors – and especially in transport and heating, where satisfactory results in reducing CO₂ emissions have yet to be achieved. This is why companies such as EnviTec Biogas see huge potential here, particularly in the use and further expansion of existing gas infrastructure.

To date, the international development of private passenger transport and goods transport has been driven primarily by diesel power. New generations of economical yet powerful diesel engines were set to become firm industry favourites – until Dieseltgate. Not only do diesel vehicles typically fail to meet exhaust emission standards, but increasing goods transport on Germany’s seas and rivers also presents a further problem: analysts expect goods traffic on inland waterways to rise by 23 percent and seaport traffic by 73 percent compared to 2010. This trend flies in the face of the EU Directive, which requires at least 10 percent of final energy consumption in the transport sector to be met by renewable energy by 2020. And to comply with the goals set out in the Paris Agreement, CO₂ emissions in maritime shipping would have to be cut by 70 to 100 percent!

Electromobility: zero credibility for ‘zero emissions’

Jörg Fischer: “Nor is electromobility a real alternative in terms of sustainability. As long as the electricity generated to power it is neither clean nor green, this simply shifts the real-world problems of pollution elsewhere.” While ‘zero emissions’ is an oft-used slogan, this ignores the fact that making batteries to power EVs uses resources such as lithium and cobalt: global reserves of these materials are finite and their disposal is problematic. The large-scale consumption of water needed to extract lithium could also deplete the groundwater in the arid regions of South America where it is mined. “Grasslands and wetlands are now facing destructive drying out – the whole ecosystem is affected,” Fischer continues.

To make the case for CNG (compressed natural gas) expansion, EnviTec joined forces last year with Munich-based BAUER Kompressoren GmbH to explore new options for the climate-neutral use of biomethane in the transport sector. Paired with Bauer’s mature CNG solutions, EnviTec’s expertise in gas upgrading is now opening up new opportunities for both companies to achieve a major breakthrough with bio CNG and biomethane. This also makes EnviTec the first plant engineering firm able to offer a complete package – from biodegradable waste to the CNG pump. The resulting business model – EnviTec’s ‘Drive Biogas’ – has received a prestigious award from the German Energy Agency (dena), which described this innovative entrepreneurial approach as a shining example of how biogas can be promoted as a fuel for the transport sector.

Bio-CNG can be used as a fuel by the many vehicles designed to run on natural gas that are now commercially available. Apart from producing significantly fewer exhaust pollutants, these vehicles are also more economical to drive due to their reduced vehicle tax and lower fuel costs. This sustainable model is also intended to improve Germany’s CNG filling station infrastructure, which is currently in decline. “This will apply an important course correction to the much-discussed transition to sustainable transport”, Fischer explains. In the transport sector alone, switching to biomethane from fossil fuels could cut CO₂ emissions by up to 90 percent.

The use of biomethane would not only cut CO₂ emissions in the transport sector but would also help to reduce the harmful nitrogen oxides in vehicle exhaust fumes by up to 95 percent. This was the reason why German biogas industry association Biogasrat+ e.V. recently called on the EU Commission to allow carmakers to offset CO₂ reductions achieved with biomethane against their average fleet values in the EU Mobility Package. As Fischer points out, focusing on biomethane in the transport sector could provide direct answers to all of the questions still left open following the diesel scandal. And everything is in place: from CNG-ready vehicles to a filling station network which can easily be expanded. “Put simply, using biomethane as a renewable energy source offers the kind of proactive approach to climate protection that our planet now needs more than ever,” Fischer concludes.

About EnviTec Biogas AG

EnviTec Biogas AG covers the entire value chain for the production of biogas, including the planning and turnkey construction of biogas plants and biogas upgrading plants as well as their commissioning. The company takes charge of biological and technical services on demand and also offers full plant and operational management. In addition, EnviTec also operates its own biogas plants. In 2011, EnviTec Biogas expanded its business operations into the direct marketing of upgraded biomethane as well as the marketing of green electricity and balancing energy. With a presence in 16 countries worldwide, EnviTec Biogas AG is represented by its own companies, sales offices, strategic partners and joint ventures. In 2017, EnviTec generated revenue of €198.8 million and EBIT of €6.5 million. The EnviTec Group currently has around 440 employees. EnviTec Biogas has been listed on the Frankfurt Stock Exchange since July 2007.

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