

Written evidence from Infinis Limited (MET0043)

About Infinis

Infinis welcomes the opportunity to respond to the Call for Evidence.

Infinis is a geographically diversified distribution-connected GB power producer employing about 300 people and with c600MW of installed power generation capacity across c150 sites. Infinis is a leading renewable generator from landfill gas, generating c1TWh annually of renewable electricity from captured methane from c300MW of installed capacity at c100 landfill sites across GB. All Infinis' landfill gas generation projects currently operate under the Renewable Obligation ("**RO**") and the vast majority of which obligations expire in March 2027.

Infinis is also the largest operator in the UK of power generation from methane emitted from abandoned mines as a legacy of former mining operations.

During the last three years we have responded to the challenge of Net Zero and associated change of national energy policy emphasis by developing a pipeline of solar and energy storage projects with over 100MW now in operation and a pipeline of c1GW at different stages of development and construction. Infinis is wholly owned by 3i Infrastructure plc, the primary infrastructure investment vehicle of 3i Group plc listed on the London Stock Exchange with a market capitalisation of c£3bn.

Infinis is a member of the Renewable Energy Association ("**REA**").

Targets and trade-offs

We support the commitment to and delivery of methane reduction targets. These are hollow, however, without the right substantive policies to support that delivery.

As well articulated by Paul Thompson of the REA to the Inquiry, the RO has provided an effective commercial incentive for accredited landfill gas generation projects to optimise methane capture with the double benefit of the baseload renewable power produced.

This has in turn lead to the professionalisation of the industry and the recognition of methane as both a risk and a resource – Infinis is arguably the best demonstration of this and indirectly the success of the RO policy, having been formed as a new standalone business dedicated to methane capture in 2006 and continually evolving those operations subsequently. This has included dedicated overhaul facilities, a team of engineers committed to site maintenance nationally and 24/7 remote monitoring which has led to plant availabilities well over 90%.

We do not believe there is a trade-off between methane and CO2 reduction initiatives. On the contrary, we see potential opportunities for CO2 capture and use or sequestration as part of a further potential initiative, either in

combination with power generation or the upgrading process of captured landfill methane to biomethane.

Given the potency and shorter lifecycle of methane, however, policy should retain as a priority that landfill gas continues to be captured optimally and that the progress made and noted above is not undone through lack of support post-2027. Each 1% change in the level of methane capture has an estimated net present value impact of £327m as calculated by WSP in its report dated March 2023 as shared by the REA with the Committee.

Transitional support

We echo the view presented by the REA as to the importance of continuing regulatory support for power generation from landfill gas following expiry of the RO for the majority of sites in March 2027. We see the potential for biomethane production from landfill gas and are engaging with DESNZ in its review of that market – we see this possible opportunity extending, however, only to large sites with sufficient gas and proximity to the gas network to warrant significant upfront investment and displacement of existing power generation infrastructure. Such investment is also ultimately dependent on a sustainable business model for power generation from landfill gas from the majority of sites for which that remains the only option. Failing that, sites will revert to flaring, gas field management will revert in many cases to local authorities and methane capture rates will fall under budgetary pressures and in the absence of a commercial reward.

DESNZ has shown the potential for flexibility in its CfD proposals for transitional support post-2027 for large biomass >100MW. We would expect DEFRA or DESNZ to recognise and reward the methane-reducing benefits of landfill gas power generation from captured methane but acknowledge that such mechanisms may take time. We see transitional support in the form of a CfD if not any potential extension of the RO as being key to preserving the standards of methane capture previously established and supporting policy objectives on both net zero and energy security.