

The RET regulation states:

1. Biomass from a native forest must be:
 - a. harvested primarily for a purpose other than biomass for energy production; and
 - b. either:
 - i. (i) byproduct or waste product of a harvesting operation, approved under relevant Commonwealth, State or Territory planning and approval processes, for which a highvalue process is the primary purpose of the harvesting;

However, when a sawmill processes a sawlog, less than a third ends up as sawn timber, a high value product. What looks like a safeguard is a legal ambiguity: (3) For subparagraph (2) (b) (i), the primary purpose of a harvesting operation is taken to be a highvalue process only if the total financial value of the products of the high value process is higher than the financial value of other products of the harvesting operation.