

OPEN LETTER BY CIVIL SOCIETY ORGANISATIONS IN PELLET-EXPORTING COUNTRIES TO SECRETARY OF STATE ED MILIBAND

26th August 2024

Dear Secretary of State,

We are writing to congratulate you on your appointment as Secretary of State for Energy Security.

We welcome your commitments to tackle the climate crisis, make the UK a clean energy superpower, reduce energy bills and speed up the transition away from fossil fuels. However, we are deeply concerned about UK Government subsidies for wood-burning power stations like Drax in Yorkshire and Lynemouth in Northumberland. These power stations are burning trees from some of the world's most biodiverse forests in the Southern USA, Canada and Europe, with devastating impacts on communities, wildlife and the climate. This puts at risk forests and wildlife in many of our countries.

We urge you not to grant any new subsidies to wood-burning power stations in the UK and we would be grateful if you could meet with some of us to discuss these concerns directly with you.

Severe climate impacts

When trees are logged, forests' ability to absorb carbon dioxide is severely reduced for decades to come. Only when trees have fully regrown might a forest recover this lost carbon absorption – and that takes decades or longer. But biomass energy is not carbon neutral and leaves more carbon dioxide in the atmosphere than if trees were left standing.

Per unit of energy, burning wood emits no less CO₂ than burning coal. According to a 2021 letter signed by 500 scientists: "The result of this additional wood harvest [for biomass energy] is a large initial increase in carbon emissions, creating a 'carbon debt' which increases over time as more trees are harvested for continuing bioenergy use. Regrowing trees and displacement of fossil fuels may eventually pay off this carbon debt, but regrowth takes time the world does not have to solve climate change. As numerous studies have shown, this burning of wood will increase warming for decades to centuries. That is true even when the wood replaces coal, oil or natural gas."

Even with future carbon capture, the climate impacts of removing many millions of tonnes of wood from forests, pelletising them and shipping them across the UK would still be severe, as summarised here by NRDC. The European Academies Sciences Advisory Council (which includes the Royal Society as a member) warns: "In view of the leakage of GHG in the production, treatment and extended transport supply chains of existing large power station usage, the science does not support the conversion of existing large-scale forest biomass power stations to BECCS [Bioenergy with Carbon Capture and Storage]".

Impacts of wood pellet production in the Southeastern USA

66% of wood pellets burned by Drax in 2023 came from the Southeastern USA, from pellet mills owned by Drax themselves, as well as mills owned by Drax's wood pellet supplier Enviva LLC. Pellets from the region are also burned at Lynemouth.

Since 2015, US environmental NGOs Dogwood Alliance, NRDC (Natural Resources Defense Council) and Southern Environmental Law Center (SELC) have been publishing annual on-the-ground investigations into wood sourcing for Enviva pellet mills, each of which shows that wood used in Enviva pellet mills is routinely sourced from clearcuts of mature hardwood forests in a region designated as a global biodiversity hotspot, and that it includes large quantities of mature trees. Logging causes serious harm to animal and plant species that depend on those forest habitats, many of them endemic species. In 2022, a whistleblower from Enviva admitted: "We take giant, whole trees. We don't care where they come from. The notion of sustainably managed forests is nonsense. We can't get wood into the mills fast enough." As well as contributing to the destruction of highly biodiverse forests in the region, pellet production for export, much of it to the UK, causes grave social and public health impacts in communities living close to Drax and Enviva's pellet plants. Those are mostly poor, predominantly (Black) non-white communities. Both Drax and Enviva have repeatedly violated the Clean Air Act: Enviva has been the subject of at least 27 state-level enforcement actions for air quality violations at its pellet mills, and Drax (paid) was accused by some of driving "environmental racism" in the Southern USA after paying \$3.2 million for such violations in Louisiana in 2022, as well as \$2.5 million in Mississippi in 2021, after which further permit breaches were discovered at the same facility.

Drax's pellet plants in Canada

Drax owns seven pellet plants in British Columbia and two in Alberta. Those pellets are exported to Japan as well as to the UK, i.e. to Drax and Lynemouth power stations. In 2022, a BBC Panorama programme revealed that Drax had obtained logging licences and had logged primary forest in British Columbia (BC), with logs being taken to a Drax-owned pellet mill. In 2024, the same Panorama team found that Drax had continued to source wood from old-growth forests in BC, including from particularly rare old-growth forest types called "Priority Deferral Areas", where a panel of experts had recommended logging should be suspended. A separate investigation by Conservation North, Bulkley Valley Stewardship Coalition and Biofuelwatch, also published in early 2024, documented Drax's wood sourcing from primary and old-growth forests, including Priority Deferral Areas in BC, providing photographic evidence from site visits. It found, amongst other things, that Drax's mill in Smithers received 1156 loads of logs with timber marks containing sizable areas of old-growth forest – even though that plant had been endorsed by the local authority based on Drax's claims that most of the feedstock would be woodchips from slash, i.e. logging residues that would otherwise be burned in the open, causing harmful air pollution. In reality, the Smithers mill received no woodchips from logging residues, only whole logs and sawmill residues, while slash burning in the open continues unabated. Old growth and primary forest in the province are vital habitat for many

different plants, mosses, lichens and animals, including the red-listed Mountain caribou and Northern spotted owl.

In May 2024, an investigation published by Land & Climate Review revealed that Drax-owned pellet plants in Canada have been responsible for 189 violations of environmental laws. This includes the period before the plants were acquired by Drax, but while Drax was already sourcing pellets from them, with 25 violations having happened under Drax's ownership. Violations have included river pollution, wetland destruction and, most frequently, air permit violations.

Impacts of pellet sourcing from the Baltic States

In 2020, Drax burned 550,000 tonnes of wood pellets from the Baltic States, mostly from Latvia and Estonia. In both countries, the whole land sector has become a net source of CO₂ emissions because forests no longer sequester sufficient carbon.

A 2022 report by BirdLife Europe and their Estonian member group highlighted that logging volumes have increased steeply since 2015 and that clearcutting was permitted without Environmental Impact Assessments even in Natura 2000 and nationally-protected nature sites. 50,000 breeding pairs of forest birds are being lost every year, in large part because logging is permitted during bird nesting season. 14% of old-growth forests have been degraded over the past decade, so that they no longer qualify as old growth. In 2023, Estonia's National Audit Office disclosed that 38 Red List species have become nationally extinct, most of them in forests. Graanul Invest, a pellet supplier to Drax, is Estonia's single biggest wood consumer. A 2022 BirdLife Europe report about Latvia highlighted a decline in tree cover due to intensive logging, as well as an ongoing decline in the forest carbon sink. As in Estonia, logging rates have significantly increased since 2015, and the area of forest older than 20 years has been steadily declining since 2008. Clearcutting of forests happens even in Natura 2000 sites. Several forest bird species are in steep decline, one of them (Hazel grouse) declined by 93% between 2005 and 2018.

Drax pellet imports from Portugal:

Portuguese wood pellets are primarily made from pine, and pellet plants are the second biggest consumer of pinewood. Pellet production is contributing to a sharp decline in tree cover with pine. Due to the high demand, pine stands are clearcut prematurely and there are ever fewer mature trees.

In early 2024, a joint NGO investigation revealed that the Pinewells pellet plant, which supplies pellets to Drax power station, has been sourcing trees from clearcuts in the mountainous Serra da Lousã Nature Reserve, which is a Natura 2000 site. Logging activities and trucks going straight from the nature reserve to the Pinewells plant with whole logs were filmed.

UK pays record subsidies for burning wood across Europe

Last year, Drax burned over 7.2 million tonnes of wood pellets; while Lynemouth Power Station burns up to 1.5 million tonnes of imported wood pellets annually. Most of those pellets are from the Southeastern USA and Canada, with others coming from the Baltic States and Portugal. The UK imports more wood pellets than any other country in the world.

The UK pays more in subsidies for burning wood than any other European country. According to the UK's National Audit Committee, £22 billion in subsidies went towards burning biomass between 2002 and 2021, over £16 billion of which went to biomass power stations. Biomass subsidies directly compete with subsidies for wind, solar, wave and tidal power, i.e. with genuinely clean and non-emissive renewable energy.

Earlier this year, the previous government proposed new “transitional” subsidies for large biomass generators – framed in such a way that only Drax and Lynemouth Power could apply. According to the Impact Assessment, those could amount to a record £2.5 billion annually – money that would therefore not be available for a much-needed genuine green transition.

Transitional subsidies would be for ‘business as usual’ combustion, not BECCS

Neither Drax nor Lynemouth Power have demonstrated that they have the technical capability to capture carbon at scale, and neither is conducting any work that would help them acquire such capabilities. Drax has only ever captured a total of 27 tonnes of CO₂, Lynemouth Power nothing at all. Drax's technology partner, Mitsubishi Heavy Industries, has not demonstrated that its carbon capture technology works at scale with biomass. The previous government's proposal would not require biomass generators to take any concrete actions to develop BECCS in order to get years more of biomass power subsidies. In the absence of proof of technology as well as the requisite infrastructure, Power BECCS won't contribute towards the new Government's 2030 (net)-zero carbon electricity target.

With 2024 predicted to be the hottest year on record and with extreme weather linked to climate change worsening around the world, it has never been more urgent to protect and restore the world's forests, not burn them in power stations like Drax.

For the sake of forests, wildlife, communities and the climate, we therefore ask you not to grant any new subsidies to Drax and Lynemouth Power Stations, but to use the money saved on genuinely low-carbon, clean renewable energy such as wind and solar power. We will be grateful for you to meet with some of us to discuss our concerns. Many thanks in advance.

Signatories:

Organisation
NRDC
Mighty Earth

The Rachel Carson Council
SOS Save Our Sumter
Climate Communications Coalition
Heartwood
Beyond Extreme Energy
Coastal Plain Conservation Group
Climate Law & Policy Project
Nature Nova Scotia
Save Estonia's Forests
IRIS - Associação Nacional de Ambiente
Acrécimo - Associação de Promoção ao Investimento Florestal
Southern Forests Conservation Coalition
Center for Biological Diversity
Puse Latvijas
BirdLife Estonia
ZERO - Associação Sistema Terrestre Sustentável
Estonian Green Movement
MTÜ Roheline Pärnumaa (NGO Green Pärnu County)
Nõmme Tee Selts; NGO Nõmme-Mustamäe Landscape Protection Area
MTÜ Eesti Metsa Abiks (NGO Estonian Forest Aid)
Kemer National Park Fund
Protect Our Woods
Greater Greener Gloster Project
Dogwood Alliance
350 Seattle
Owen-Putnam Friends of the Forest
Science Alliance for Forestry Transformation
Bulkley Valley Stewardship Coalition
MTÜ Hoiame Loodust
Friends of Carmanah Walbran
Conservation North
Stand.earth
Latvian Ornithological Society
Pacific Northwest Forest Climate Alliance - Biomass Working Group

Southern Environmental Law Center
Global Justice Ecology Project
Biofuelwatch
Partnership for Policy Integrity