Dear Mr Kwarteng and Ms Trevelyan,

I am writing to you on behalf of conservation and environmental justice organisations in the USA, Estonia, Canada and Portugal, countries which are supplying large quantities of wood pellets burned by UK power stations, especially Drax.

The UK is now the top subsidiser of bioenergy in Europe. It spent more than £1.9 billion in 2019 on bioenergy subsidies, primarily to burn wood in power stations, most of it imported from overseas in large power stations. Drax alone received £831.80 million in renewable electricity subsidies in 2020, for burning 7.14 million tonnes of wood pellets.

The impacts on the climate have been most recently summed up in a 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*."

The impacts which UK biomass subsidies are having on forests in the countries supplying wood pellets for the UK are severe, as are the impacts on communities living next to plants where the wood is processed into pellets.

Southeastern USA:

65% of wood pellets burned by Drax in 2020 came from the Southeastern USA, from three pellet mills owned by Drax themselves, as well as ones owned by Enviva LLC. Pellets from the region are also being burned at Lynemouth Power Station in Northumberland.

US environmental NGOs Dogwood Alliance, NRDC (Natural Resources Defense Council) and Southern Environmental Law Center (SELC) have been publishing on-the-ground investigations into wood sourcing for Enviva pellet mills every year from 2015 -2019, with 2020 evidence published by Dogwood Alliance (a smaller investigation due to Covid-19). These show 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. They also document that vast quantities of whole trees and other large-diameter wood—biomass feedstocks known to be particularly high-carbon—are entering the biomass industry's supply chain. The NGOs' evidence has been confirmed by media investigations, including by reporters for the Washington Post, Climate Central, Channel 4 Dispatches, and TV2 in Denmark. In 2016, a peer-reviewed study modelled likely future wood sourcing for bioenergy (including pellets for export) in the southern USA. It concluded that "*Our results demonstrate the complex landscape effects of alternative bioenergy scenarios [and] highlight that the regions most likely to be affected by bioenergy production are also critical for biodiversity*". Even if the area classified as 'forest land' was to increase in the context of increased biomass, the "*remaining forest [would be] composed of more intensively managed forest and less of the bottomland hardwood and longleaf pine habitats that support biodiversity*", i.e., there would be more conifer plantations and less biodiverse forests. Impacts to the region's highly biodiverse natural forests have been demonstrated by NGO investigations as well as investigations by reporters.

Communities living close to pellet plants supplying Drax as well as Lynemouth Power Station are suffering increased air pollution, wood dusts exposure and noise. The siting of pellet plants in the region disproportionally affects black and low-income communities. Earlier this year, Drax Plc was fined a record $2.5 million for serious and persistent breaches of their air quality permit for a pellet plant in Mississippi.

Baltic States:

In 2020, Drax burned 840,000 tonnes of wood pellets from the Baltic States, mostly from Latvia and Estonia. A 2020 report by Estonian Fund for Nature and Latvian Ornithological Society analysed the impacts which the growing wood pellet production for export is having on both countries forests, on forest carbon sinks, and on forest birds.

In both countries, logging has been intensifying in recent years. In 2019, Latvia recorded its highest logging volume in 19 years, and logging volumes tripled in Estonia between 2008 and 2018. Clearcutting is the dominant logging method. The large majority of forests in the region are semi-natural, i.e., they have been previously logged but consist of mixed native species and remain important for wildlife.

In both Latvia and Estonia, logging is happening in Natura 2000 and other supposedly protected sites, too. Also in 2020, a team of European investigative journalists documented evidence of significant logging inside Haanja National Park in Estonia, where Graanul Invest (Europe's largest pellet producer and a Drax supplier) owns dozens of forest plots.

Estonia's forest birds are declining at a rate of around 50,000 breeding pairs a year. In Latvia, the Hazel grouse declined by 79% from 2005 to 2018, and the Black stork by 60% from 1989 to 2018.

British Columbia, Canada:

Drax Plc's shareholders have approved the purchase of a pellet company which has been supplying pellets from British Columbia already: Pinnacle Pellets. Investigations by Stand.earth show that most of Pinnacle's Pinnacle's seven wood pellet facility "haul zones" in British Columbia overlap with vital primary forests and threatened species, including caribou, habitat. In 2020, investigations by Stand.earth and Conservation North revealed that roundwood from mature trees is being sourced by Pinnacle Pellets.

British Columbia has already seen the great majority of its primary and old growth forests logged, and very few of its remaining primary forests and sensitive forest habitats are legally protected. The growing wood pellet industry for export, including to the UK, poses a serious threat to those forests.

Communities living near Pinnacle pellet plants (which supply Drax and Lynemouth Power Stations) have frequently expressed concerns about noise and air pollution, as well as threats to the Boreal forest. The forest is also home to more than 600 Indigenous communities, many of whose cultural identities are entwined with the forest. Widespread logging of boreal forests for biomass threatens many Indigenous Peoples' cultures and livelihoods.

Furthermore Pinnacle Pellets has had serious problems with fires at its facilities; for example at Lavington (BC, Canada) in both May and September 2020, at Houston (BC, Canada) in November 2020 in which 3 people were injured, and at Entwistle (Canada) in February 2019 in

which 12 people were injured and Pinnacle is facing charges from Alberta Occupational Health and Safety.

Portugal:

Portugal is Drax's fourth largest source of wood pellets, and its main supplier there is Pinewells. A recent investigation by Biofuelwatch has revealed how Pinewells are turning whole pine and to a lesser extent eucalyptus trees into wood pellets, despite claims that the feedstock used is *"residues, low-grade tree stems, sawdust and thinnings"*. As well as the climate impacts of burning this wood, Pinewells is reliant on Portugal's vast areas of pine and eucalyptus monocultures, which together account for almost 50% of the country's tree cover. As well as being harmful to biodiversity, water resources and soil health, they also pose a significant risk to rural communities as they allow forest fires to spread more intensely and quickly, a problem that will only worsen as Portugal's climate becomes hotter and drier.

On top of this, pellet production now consumes almost a quarter of pine roundwood in Portugal each year, and in 2020 it is estimated that by volume 56.6% more pine was harvested than was replaced by new tree growth. This represents a dramatic decline in carbon stocks, and underlines a study that found a "striking rise in harvested forest area" in Portugal in recent years. Pellet production and biomass energy generation in general is a key reason behind the increasing necessity for other industries such as sawmills to import large quantities of roundwood.

We therefore call on you to take urgent action to stop the UK's subsidies for biomass electricity. The money saved that way can and should be spent on expanding genuinely low-carbon, clean renewable energy sources.

Signed by the following organisations:

Canada:

Conservation North

Stand.earth

Estonia:

Birdlife Estonia

Eesti Metsa Abiks

Estonian Fund for Nature

Estonian Green Movement – Friends of the Earth Estonia

Save Estonia's Forests

Portugal:

ACRÉSCIMO - Forest Investment Promotion Association

QUERCUS - Nacional Association of Nature Conservation

ZERO - Association for the Sustainability of the Earth System

USA:

Athens County's Future Action Network (OH)

Dogwood Alliance

Friends of the Earth US

Global Justice Ecology Project

JAPRI.Org

John Muir Project of Earth Island Institute

NRDC (Natural Resources Defense Council)

Partnership for Policy Integrity

Pivot Point

Rachel Carson Council

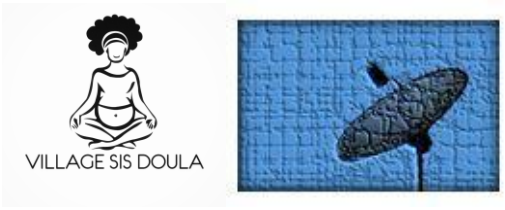
Southern Environmental Law Center

Southern Forests Conservation Coalition

SouthWings

Village Sis Doula, LLC

Wendell State Forest Alliance

Athens County's Future Action Network (OH)


CONSERVATION
NORTH


STAND
.earth