# Briefing for responding to ROC Banding Consultation (England and Wales)

**The DECC Consultation on changes to the Renewables Obligation banding (i.e. changes to which types of energy classed as renewable should attract which level of subsidies) can be found at www.decc.gov.uk/en/content/cms/consultations/cons_ro_review/cons_ro_review.aspx . It will run until 12th January 2012.**

**For background information about subsidies for electricity (Renewable Obligation Certificates or ROCs) for bioenergy and waste as well as the proposed changes, see www.biofuelwatch.org.uk/2011/rocs_introduction/ . For a discussion of the impacts of ROCs for bioenergy and waste, see www.biofuelwatch.org.uk/2011/rocs_impacts . Please see these two Biofuelwatch briefings for full references and a more detailed discussion of points raised in this guide.**

## Introduction and Summary

***The consultation can be answered by***

- ***Emailing your response to*** robr@decc.gsi.gov.uk***, citing reference: URN 11D/876 – Consultation on Renewables Obligation Banding Review and Renewables Obligation Order 2012 OR***
- ***Online at*** https://econsultation.decc.gov.uk/office-for-renewable-energy-deployment-ored/ro-banding-rev

This briefing only covers electricity from bioenergy and waste and does not comment on the questions on the other renewable technologies.

Our main concerns with the consultation can be summarised as follows:

- 82.5% of energy classed as renewable in the UK already comes from bioenergy and the proposals for long-term subsidies for renewable electricity will maintain this bias. ***High levels of biomass subsidies will remain.*** This will give the green light for a large number of companies which already have planning permission for biomass power stations to start building them. The biomass power stations already announced will burn around 60 million tonnes of wood a year – more than six times the amount of wood produced annually in the UK. This will, directly and indirectly, mean more deforestation across Europe, North America, West Africa, South America, etc and thus more climate change more land-grabbing for new tree plantations in the global South, and more air pollution and ill health in the UK.
- The Consultation does not just propose to keep biomass subsidies in place – it even proposes to give ***higher subsidies for coal power stations that co-fire 15% or more biomass.*** This proposal alone is likely to increase the UK's future wood demand by tens of millions of tonnes.
- The Consultation ***ignores all questions about environmental and social impacts***, sustainability and climate change and only looks at economic and cost factors – even though the Government should, legally, consider sustainability issues.
- The Government proposes a ***cap on overall subsidies for bioliquids*** (liquid biofuels, mainly biofuels). That cap would be equivalent to five 50 MW biofuel power stations. If those were run exclusively on palm oil (by far the cheapest vegetable oil), they would

require at least 110,000 hectares of new oil palm plantations. For other types of vegetable oil, even more land would be needed. This will mean more deforestation (directly or indirectly) and more land-grabbing.

- ***Several types of electricity from (fossil-fuel based) waste incineration will continue to attract subsidies***.

If only those biomass and biofuel power stations already announced were built by 2020, those would attract some £3 billion in subsidies every year, even though they will worsen climate change and have a disastrous impact on forests, people and communities, including, through greater air pollution, in the UK.

See www.biofuelwatch.org.uk/2011/rocs_impacts for more details about the impacts of electricity from biomass, biofuels, biogas and waste.

## General comments in response the consultation:

The Consultation does not invite comments about the merits or otherwise of subsidising electricity from biomass, bioliquids or waste. Nonetheless, those comments can, and we believe, should be made in responses. ***Here are some key points we would suggest – you can make them either as an introduction to your response or, if you reply online under Question 78***:

- ROCs for electricity from biomass, bioliquids and waste should be abolished because of their serious impacts on climate, people and, in the case of biomass and bioliquids, forests, grasslands, food (with new plantations often competing for or taking over farmland), water and soils.
- The upfront carbon emissions from burning biomass are around 50% higher than those from burning coal per unit of energy and that carbon will not be re-absorbed by new trees and other plants for decades or centuries, if ever.
- Biomass electricity is highly inefficient – according to DECC, biomass power stations are only around 25% efficient. Together with biofuels, biomass electricity has by far the greatest 'land footprint' i.e. needs far more land per unit of energy compared to all other energy sources.
- For bioliquids, experience in Germany and Italy shows that palm oil is the only economically viable feedstock, even with subsidies. This will mean more rainforest destruction and land-grabbing and more human rights abuses in countries such as Indonesia, Cameroon and Colombia.
- For biogas, the Government wants to continue to offer the same high subsidy level for biogas from energy crops as from waste. In Germany, similar subsidy rules have lead to large-scale conversion of land to maize grown just to make biogas. This is a key driver of biodiversity destruction in Germany and leads to competition with food and feed. DECC recognise this threat – but do not propose to address it. By contrast, the Netherlands has restricted biogas subsidies to certain types of waste only.
- Waste incineration will be continue to be eligible for ROCs despite the serious implications for air quality and human health, for recycling rates and resource use, and even though under EU legislation it cannot be classed as renewable energy.

Below are suggestions for answering some of the key questions.

**Q 18.** ***Do you agree that we should not exempt existing generators from future changes to the UK's sustainability criteria for solid and gaseous biomass? Please explain your response with evidence.***

This is irrelevant because the proposed sustainability criteria will do nothing to address the serious negative impacts of large-scale biomass. They do not include full lifecycle carbon emissions, Indirect Land Use Change, carbon debt, human rights abuses, land grabs, food security and food sovereignty issues, pesticide issues, virtual water importation, all soil and water issues, most habitat & biodiversity loss. Claims made by companies' consultants about

their wood being 'sustainable' will be accepted without verification. And voluntary certification schemes will be used, once which have certified for example illegally felled wood, wood from plantations set up illegally at the expense of natural forests and communities' livelihoods, wood from plantations linked to serious human rights abuses, even murder, or wood from oldgrowth forest destruction.

**19. *Do you consider that the 90% biomass purity threshold is still appropriate? Please explain your response with evidence.***

At present, up to 10% fossil-fuel derived waste can be burnt with biomass and still be subsidised as biomass. Increasing the threshold would lead to even more fossil-fuel based waste to be incinerated. However, given the serious negative impacts of electricity from biomass as well as waste, neither should be subsidised through ROCs.

**21. *Do you agree that 1 ROC/MWh is an appropriate level of support for biomass conversions? Please explain your response with evidence.***

'Conversion' means converting entire coal power stations to biomass ones. RWE are planning to convert Tilbury B to a 750 MW biomass power station, which would burn around 7.5 million tonnes of mainly imported wood (equivalent to almost 90% of the UK's entire wood production per year) and be far bigger than any existing biomass power station worldwide. They are thus planning to replace one dirty and very high-carbon form of energy with another equally dirty and also very high-carbon form of energy which will accelerate deforestation and land-grabbing for plantations, too. The only way to stop such plans is to remove ROCs from biomass, including biomass conversion.

**24. *Do you agree that support under the biomass conversion band should be grandfathered at the rate set from 1st April 2013? Please explain your response with evidence.***

'Grandfathering' ROCs means making a political commitment to keep long-term subsidies. ROCs for biomass should be stopped, not guaranteed.

**27. *Do you agree that 1 ROC/MWh is an appropriate level of support for enhanced co-firing? Please explain your response with evidence.***

No, this is a particularly dangerous proposal. It doubles the amount of subsidies which energy companies can get from co-firing biomass with coal if they co-fire at least 15% of biomass. Right now, Drax co-fires over 1.1 million tonnes of biomass a year and that's only 6% of their total load. So this proposal could mean tens of millions of tonnes more wood being burnt across the UK.

**32. *Do you agree with the proposed level of support of 0.5 ROCs/MWh for standard co-firing of biomass? Please explain your response with evidence.***

No, there should be no ROCs for co-firing or other burning of biomass.

**36. *Do you agree with the proposed level of support of 1.5 ROCs/MWh for dedicated biomass until 31 March 2016, reducing to 1.4 ROCs/MWh from 1 April 2016 ? Please explain your response with evidence.***

No. There should be no ROCs for dedicated or other biomass for the reasons and evidence already submitted.

**39. *Do you agree that support for bioliquids should be the same as for solid and gaseous biomass under the dedicated biomass, biomass conversion, enhanced co-firing and standard co-firing bands? Please explain your response with evidence.***

Neither biomass nor bioliquids should receive ROCs as discussed above and here: www.biofuelwatch.org.uk/2011/rocs_impacts

**41.** ***Do you agree that a cap should be put in place on the amount of electricity generated from bioliquid that suppliers can use to meet their renewables obligation? Please explain your response with evidence.***

No as we are calling for no ROCs for bioliquids bands for the reasons and evidence already submitted. A new demand for 110,000 hectares new oil palm plantations (or more other plantations) is neither sustainable nor acceptable.

**42.** ***Do you agree with the level of the cap being set at 4% of each supplier's renewables obligation, broadly equivalent to a maximum level of generation of 2TWh/y in 2017? Please explain your response with evidence.***

No as we are calling for no ROCs for bioliquids bands for the reasons and evidence already submitted. This will give the green light for W4B to build their contested and highly controversial palm oil power stations in Portland and Bristol, and for companies to build 3-4 others the same size.

**45.** ***Do you agree that 0.5 ROCS is an appropriate support level for EfW with CHP? Please explain your response with evidence. We would particularly welcome evidence relating to levels of gate fees received by generators and additional capital costs relating to heat offtake.***

No, there should be no ROCs for waste incineration, as discussed above and here: www.biofuelwatch.org.uk/2011/rocs_impacts

**48.** ***Do you agree with the proposed level of 2 ROCs/MWh for Anaerobic Digestion, stepping down to 1.9 ROCs in 2015/16 and 1.8 ROCs in 2016/17? Please explain your response with evidence.***

As discussed and here, the broad definition of biogas, which includes energy crops such as maize grown for this purpose alone, risks incentivising large-scale land conversion for biogas in this country as has happened in Germany. This broad definition is flawed and dangerous.

**49.** ***Do you agree with the proposal to replace the standard and advanced pyrolysis and gasification bands with two new ACT bands? Please explain your response with evidence.***

No. Gasification and pyrolysis are unreliable and largely unproven ways of producing energy from biomass or waste, with the same negative impacts as other biomass combustion and waste incineration, but potentially even lower levels of efficiency. They should not be subsidised through ROCs.

**61.** ***Do you agree that 2 ROCs/MWh is an appropriate level of support for dedicated biomass with CHP? Please explain your response with evidence.***

No, as we are calling for no ROCs for dedicated biomass with CHP for the reasons and evidence already submitted. Furthermore,under the Reneawbles Obligation

**62.** ***Do you agree that 2 ROCs/MWh is an appropriate level of support for dedicated energy crops with CHP? Please explain your response with evidence.***

No, as we are calling for no ROCs for dedicated energy crops with CHP for the reasons and evidence already submitted.

**63.** ***Do you agree that 1 ROC/MWh is an appropriate level of support for standard co-firing of biomass with CHP? Please explain your response with evidence.***

No, as we are calling for no ROCs for standard co-firing of biomass with CHP for the reasons and evidence already submitted.

**64.** ***Do you agree in principle that 1.5 ROCs/MWh is an appropriate level of support for standard co-firing of energy crops with CHP? It would be helpful if you could provide evidence on costs and deployment potential to inform our decision.***

No, as we are calling for no ROCs for standard co-firing of energy crops with CHP for the reasons and evidence already submitted.

**65.** ***Do you agree with the arrangements for transition from the CHP uplift to RHI support as set out in this chapter (i.e. no RHI for projects accrediting under the RO; one-off choice between RHI and CHP uplift for projects accrediting between April 2013 and March 2015; no CHP uplift for projects accrediting after that date, unless the RHI is unavailable for that technology on 1 April 2015)? Please explain your response with evidence.***

No, as we are calling for no ROCs for standard co-firing of biomass with CHP for the reasons and evidence already submitted.

**66.** ***Do you agree that we should adopt a policy of grandfathering the CHP uplift for eligible projects from 1 April 2013? Please explain your response with evidence.***

No, since this means even more money for burning biomass, bioliquids and waste. Under the Renewables Obligation, CHP is defined so loosely that highly inefficient power stations supplying only a small proportion of heat qualify and receive even more subsidies than otherwise. Also, heat generation through CHP will already by subsidised through the Renewable Heat Incentive.

**69.** ***Do you agree that we should narrow the definition of energy crops to limit its scope to only the short rotation coppice and perennial grass species as described above? Please explain your response with evidence.***

Narrowing the definition would mean that burning palm oil and imported eucalyptus would attract slightly less subsidies (ROCs), however those subsidies would almost certainly still be enough for companies to start building a large number of power stations relying on those imports. And many types of monoculture plantations, regardless of their environmental and social impacts, would still be rewarded.

**74.** ***Do you agree that the co-firing cap should be removed completely from 1 April 2013? Please explain your response with evidence.***

No, there should be no subsidies for co-firing biomass and bioliquids – rather than subsidies for co-firing even more.

**78.** ***In addition to the specific questions asked throughout this consultation document, do you have any other comments on any aspect of our proposals? In each case, please explain your response with evidence.***

Here you might wish to make the 'additional' comments suggested above.