

ONE-PAGE SUMMARY OF THE BIOMASS ISSUES – Andrew Llanwarne, FoE Scotland, 14.3.13

Big challenge is to get Minister to face up to contradictions between policy set out in **Electricity Generation Policy Statement** (EGPS) last year, and what is actually being proposed through the loopholes for low-efficiency CHP, and co-firing with coal/conversion. **How can he justify this?**

The EGPS confirmed the biomass policy of *“small heat only and CHP applications, off gas-grid, the better to contribute to meeting the Scottish Government’s target of 11% of heat demand to be sourced from renewables by 2020”*. This is backed up by **specific statements** (see overleaf) that could be quoted back at the Minister to ask why he has ignored his own wisdom.

Big problem is that Renewables Obligation is an incentive to operators to maximise electricity production for a guaranteed market. But biomass is used most efficiently to produce heat. **35%** efficiency for CHP is dismal – even by the Minister’s own figures (overleaf) – well below **EU Renewable Energy Directive** requirement of **70%** efficiency from biomass.

Half the potential efficiency means: twice as many trees burned; twice as many CO₂ emissions per unit of energy output; half the value for money for energy customers paying for the subsidies. If all 3 Forth Energy power stations go ahead, over 25 years they could get **£5 billion** in subsidies.

Landuse Change: Even if the operator can secure “sustainable” sources of timber, this will inevitably have indirect impacts on markets for timber, land and food. People will be displaced, food prices will rise, biodiversity will be reduced as native forests are cleared. **This has already been demonstrated** around the world with demand for biofuels, esp. from Europe. Negative effects on poor communities will dwarf the benefits from SG’s £3m Climate Justice Fund.

CO₂ emissions: The latest DECC report (8 March) confirms the problem of “carbon debt”. Emissions from burning whole trees are even higher than for burning coal. This will push up Scotland’s CO₂ emissions when we need to reduce them.

The Minister and Civil Servants refuse to acknowledge the policy contradictions, and this means they can evade scrutiny of the environmental and social impacts of the policy through Strategic Environmental Assessment.

The Minister’s statement at the end of the debate on 16 January implied that it is actually all about **ensuring the lights stay on**, and he provided a very flimsy reason for the 35% efficiency requirement (damp wood) when this is intended to maximise electricity production. **He should be asked to explain** exactly what he believes is “appropriately sited and properly used biomass” and the “right element of electricity production and heat generation” (from the end of that statement).

We believe that this behaviour **discredits Scotland** at a European and international level, undoing much of the good work of the Climate Change (Scotland) Act 2009, and the Climate Justice Fund.

We suspect **energy companies** have indicated that the targets for offshore wind by 2020 are not achievable and agreed to help Ministers achieve the 100% renewable electricity target if they get changes to RO to secure subsidies for their wasteful power stations.

As a minimum, the Scottish Parliament should insist on the 70% efficiency requirement for all biomass projects subsidised through the RO – or threaten a full inquiry into the reasons for the policy reversal.

ANNEX: Extract from Scottish Government Draft Electricity Generation Policy Statement 2012

<http://www.scotland.gov.uk/Topics/Business-Industry/Energy/EGPS2012>

pp. 17-18 (bold type added for emphasis) *[comments added in red]*

Thermal Generation – Bioenergy

51. Estimates suggest that heat accounts for around 50% of the current total energy demand in Scotland. **We have placed a high priority on achieving our target of 11% of heat demand to be sourced from renewables by 2020** (the current level of renewable heat is around 2.8%). Scottish Ministers are also obliged to publish a Renewable Heat Action Plan and to keep it updated through to 2020. The first update was published in December 2011.
52. Our policy on biomass is set out in the National Planning Framework II, section 36 Thermal Guidance, and in the section 36 Biomass Scoping Opinion guidance. Essentially, because of the multiple energy uses to which biomass can be put, the limits to supply, and the competition for that supply from other non-energy sectors, **we need to encourage the most efficient and beneficial use of what is a finite resource**. We would prefer to see biomass used in heat-only or combined heat and power (CHP) schemes, off gas-grid, and at a scale appropriate to make best use of both the available heat, and of local supply.
53. **There are several reasons for this:**
- Evidence suggests that the use of biomass for **heat-only or combined heat and power use** will be essential in order to meet Scotland’s target for renewable heat; *[but the RO proposals will encourage it to be used mostly to produce electricity to help achieve the SNP election commitment of 100% electricity consumption from renewables by 2020]*
 - Use of available heat in heat-only and CHP schemes achieves 80-90% **energy efficiency** for the former and 50-70% for the latter, compared to 30% in electricity-only schemes. **Given the limited resource, we have to ensure that it’s used as efficiently as possible;** *[yet the proposals only require 35% efficiency for CHP and allow electricity-only plants to receive subsidy. How is this ensuring biomass is used as efficiently as possible?]*
 - Concentrating biomass use in areas which are **off the gas-grid** will deliver the **highest carbon savings** (given that in most cases it will be displacing oil or coal), and can also make the greatest impact on **alleviating fuel poverty;** *[the proposals do not do this]*
 - We are not categorically opposed to large scale development. However, we believe that **operators of large biomass stations will find it more difficult** to use the heat generated and to source supply locally; *[so the proposals exempt them from having to do so!]*
 - **Our view is that developments should be scaled appropriately so that they can make efficient use of the available heat and local supply.** We believe that this will enhance security of supply, minimise carbon emissions and reduce the impact on other sectors competing for biomass material; *[so why not set a size limit for any plant to get ROCs?]*
 - There may be a significant role for **imported biomass**. However, the global market is an immature one and is likely to be volatile given **projections of increased global demand**. Its use will be dependent upon price, availability and **evidence of sustainability**. As with the local resource, it should be used in **plants that support maximum heat use and de-centralised energy production.** *[so why are the proposals not designed to achieve this?]*