March 28 2011

Open letter of objection to Forth Energy's plans for construction and operation of four biomass power stations: Dundee, Grangemouth, Rosyth and Leith/Edinburgh from American groups: Biofuelwatch/Energy Justice Network, Biomass Accountability Project, Center for Biological Diversity, Dogwood Alliance, Friends of the Earth US, and Save Americas Forests.

Dear Sirs,

We write to ask that you oppose Forth Energy's plans for the construction and operation of four biomass stations in Scotland. We recently reviewed Forth Energy proposals for these biomass power stations, which combined would burn 5.3 million tonnes of biomass – primarily wood chips and pellets – per year. Forth Energy states that near 90 percent of this biomass would have to be imported, due to a lack of indigenous wood biomass availability. They expect that 75 percent of the imported biomass would be sourced from (or via) the state of Florida, United States. This implies that around 3.6 million tonnes of woody biomass would be exported from Florida to be burned in Forth Energy facilities.

Such massive demand will have serious impact on forests in the southeastern US, and on existing forest products industries. In their assessment of the availability of forestry residues and roundwood for N Carolina, S. Carolina and Virginia, for example, Galiki et al. found in a peer-reviewed study, that residue supplies "….are in themselves insufficient to satisfy long term biomass electricity production requirements imposed by a hypothetical [US] national [Renewable Portfolio Standard] and [Renewable Fuel Standard]." The authors further noted that:

> Should demand for woody biomass exceed the supply of forest residues, our findings suggest that all users of forest resources will be affected by the resulting spike in resource pricing. Biomass demand for pulpwood will not simply be added to current demand, except possibly in the very short run. As prices increase marginal wood consumers in existing markets will be displaced.[1]

This analysis did not consider the additional very large demand that Forth Energy expects to meet from these same forests, or the additional demand from other UK and European energy companies. For example, the RWE NPower's 750 MW biomass power station at the Port of Tilbury seeks to source the majority of an estimated 7.5 million tones of wood per year from North America and is already approved.

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1 Forest Biomass Supply in the Southeastern United States -- Implications for Industrial Roundwood and Bioenergy Production. Christopher S. Galik1 Robert C. Abt2 Yun Wu3 Journal of Forestry 107(2): 69-77 (March 2009) http://saf.publisher.ingentaconnect.com/content/saf/jof

The southeastern US contain some of the most biodiversity-rich ecosystems in North America and have experienced massive losses with the conversion of natural forest to industrial pine plantations. According to the US Forest Service Southern Forests Research Assessment, only about 182 million acres of the former 356 million acres of natural forest still remain. [2] Over 15 percent of the remaining forested area has been converted to industrial pine plantation monocultures, which provide little habitat for biodiversity. This conversion has been accompanied by a near 800 percent increase in the use of chemical fertilizers and escalating use of toxic herbicides and pesticides in the region. Industrial plantations are expected to expand to over 52 million acres. Projections are that logging will increase by 50 percent to over eight million acres a year by 2040..

This large scale destruction and conversion of forest in the southeastern US has been undertaken to supply already existing demands and projected growth. What's more, the US has its' own growing demand for biomass electricity and heat, many also with the expectation that they will source wood from southeastern pine plantations. Demand for biomass to burn in Scottish power plants will be additional to the above. It is clear that all of these competing demands will result in serious further damage to southern ecosystems.

We do not believe that Forth Energy's use of certification will reduce the impact on our southern forests. In their "Sustainability Statement" Forth Energy indicates that they will address sustainability concerns by sourcing their wood from producers certified by the "Sustainable Forestry Initiative" (SFI) or by the "Forest Stewardship Council" (FSC). We have several problems with this approach. First, certification cannot address the unsustainability of demand and even if Forth Energy could source wood less destructively than other companies, this would still lead to more overall logging and to more natural ecosystems being converted to plantations. Second, there appears to be no credible prospect of Forth Energy being able to source large quantities of FSC-certified wood: no pellet or woodchip exporter producer in Florida is certified by the FSC, although several have SFI certification. We believe that the SFI should be met with scrutiny.

The SFI is not a legitimate measure of sustainable forestry. SFI was established by the American Pulp and Paper Association, and, though they claim to be "an independent non-profit", they represent Weyerhauser, International Paper, Plum Creek and other large forest products industries, as is clear from perusal of their board members, their funding and their practices. This lack of independence is revealed by SFI's practices. Audits are weak to nonexistent and very rarely result in any requirements whatsoever for improved practices. A report by Forest Ethics entitled "SFI: Certified Greenwash" found that out that of 543 audits on SFI's

2 US Forest Service Southern Forest Research Assessment

website, only a single case of non compliance was required to take steps to address a problem.

SFI's poor enforcement of sustainability has resulted in numerous examples of ecological degradation. Further, SFI fiber sourcing policy is criticized for taking no measures to exclude the use of illegally logged wood, failing to protect old growth, permitting clearcutting of very large areas – 120 acres, resulting in damage to habitat, watersheds and soils, and permitting use of large amounts of toxic herbicides, pesticides and fungicides. The poor performance of SFI was brought to attention when, in 2007, following heavy rains in Washington State, over 1200 landslides occurred as a result of poor forestry practices - 84 percent of them on SFI certified lands. In addition, citizen lawsuits were required to protect the marbled murrelet habitat from SFI certified practices in Northern California. In the Southeastern US, SFI practices were criticized in a letter from more than 90 scientists:

> Over the past few decades, SFI-sanctioned practices such as large scale clearcutting, the conversion of forests to plantations and the industrial use of chemicals have compromised the biological integrity of much of the South's forestland. These practices also disproportionately impact low-income rural communities and forestry workers, groups that - especially in the South - already suffer from higher rates of disease and injury.

In sum, there is little basis for confidence in SFI certification.

Given the massive quantities of wood – most of which will be imported from our forests - that Forth Energy facilities would burn, the inefficiency of biomass electricity generation (most facilities operate at 25-30 percent efficiency at best), the emerging science indicating that bioelectricity is not necessarily "carbon neutral" or "clean", the human health impacts of emissions, and the unreliability of SFI forest certification schemes – we call on the Scottish Government to reject Forth Energy's proposed biomass electricity facilities in Scotland.

Thank you,

Biofuelwatch/Energy Justice Network, Biomass Accountability Project, Center for Biological Diversity, Dogwood Alliance, Friends of the Earth US, and Save Americas Forests.

This letter was sent to:
Jim Mather, Minister for Energy, Enterprise and Tourism
John Swinney, Cabinet Secretary for Finance and Sustainable Growth
Colin Imrie, Head of Energy Markets Division, Scottish Government

Energy Consents Unit, Scottish Government