

SEFE Biomass-fired Power Station – Eden

Comments on proposal MP09_0034 – 22 April 2010

Margaret Blakers¹

I consider that SEFE's application to construct and operate a 5 MW biomass-fired power station near Eden should be rejected. I object to the proposal for a number of reasons but in this submission have concentrated on two: the eligibility of proposed feedstocks to create Renewable Energy Certificates, and the greenhouse impacts of the proposal.

1. Will electricity generated by the proposed biomass power station be eligible to create Renewable Energy Certificates?

Eligibility of the proposed SEFE power station to create Renewable Energy Certificates is central to the project. For example:

SEFE seeks to protect its interests through the generation of its own electrical supply and through the sale of excess electricity to the network, to capitalise on the opportunities presented through incentives established to encourage transition to renewable electricity generation. (s.3.1.3, emphasis added).

SEFE asserts that 'Woodchip waste generated by SEFE would be eligible to create RECS under the category of wood waste' (p.3-6) and claims that this has been confirmed by the Office of the Renewable Energy Regulator (ORER).

Regulation 8 (1) (b) establishes the following ²eligibility criteria for the second category (a manufactured wood product or by-product from a manufacturing process).

The wood waste must be: (b) a manufactured wood product or by-product from a manufacturing process.

Wood waste generated by SEFE and sawmill residue from third party sawmills would be eligible to create RECs under this category of wood waste. This has been confirmed by the Office of the Renewable Energy Regulator. (Appendix F, p. 2-5).

On the face of it, the examples given for Regulation 8(1)(b) of the *Renewable Energy (Electricity) Regulations 2001* clearly exclude woodchips from the definition of 'manufactured wood product' or manufacturing process. That means native forest wood 'waste' (other than 'residue' from sawmills) is not eligible to create RECs under 8(1)(b). Native forest wood 'waste' in this category comprises over 50% of the proposed feedstock (p2-13). To be eligible to generate RECs, this feedstock would need to comply with regulations 8(2), (3) and (4).

I have contacted ORER but they have refused to comment on SEFE's assertion and the Environmental Assessment contains no supporting evidence.

Recommendation 1. SEFE should be asked to provide the evidence supporting its statement that ORER has confirmed the eligibility of SEFE wood waste to create RECs under Regulation 8 (1) (b) of the *Renewable Energy (Electricity) (RET) Regulations 2001*.

¹ Margaret Blakers, GPO Box 2234, Canberra 2601. ph 0419 877 325, email Margaret.blakers@bigpond.com

² Biomass that is from a native forest but not sawmill residue includes 'hardwood fines' 21,250 tpa and 'SEFE hardwood mill waste' 1,060 tpa. Total 22,310 tpa (about 56% of feedstock). From Table 2-2, p.2-13 of SEFE Environmental Assessment.

The eligibility of the SEFE waste wood to create RECs is a threshold issue that must be determined before further consideration of its proposal. This is for two reasons.

1. SEFE has not established, a priori, that its project is eligible to create RECs from all the wood sources it proposes to use; instead it relies on the alleged advice of ORER. The eligibility of all intended feedstocks is central to the viability of and justification for the proposal. The eligibility of over 50% of the feedstock is under question.
2. If SEFE is unable to make a case for eligibility of its wood waste under RET Regulation 8(1)(b) it will need to rely on RET Regulations 8(2), (3) and (4). Its Environmental Assessment would need to show how wood from each 'harvesting operation' can comply. Since the feedstock comes from native forests in Victoria and NSW, the assessment would need to consider the entire wood catchment.

Recommendation 2. Consideration of the Environmental Assessment should be suspended until SEFE has either

- a) confirmed that all its proposed feedstocks are eligible to create RECs, by producing advice from ORER or by including an assessment of proposed native forest harvesting operations against the criteria in RET Regulation 8; or**
- b) demonstrated that the biomass power station will be economically viable if it is unable to create RECs for over 50% of its feedstock.**

2. Greenhouse gas emissions

The methodology for assessing greenhouse impacts purports to be based on the principles of the Greenhouse Gas Protocol, including relevance, completeness, consistency, transparency and accuracy. However, the analysis excludes CO₂ emissions from logging, forest management and biomass combustion. While this is consistent with the Australian government's assumption that biomass is 'carbon neutral', it is not consistent with 'completeness'. The IPCC (Intergovernmental Panel on Climate Change) methodology assumes that forestry CO₂ emissions will be accounted for at the time of logging (the default assumption is to bring 100% of emissions to account at that point). Under this methodology, accounting for CO₂ emissions at the time of combustion would be double counting. However not to include them at all is highly misleading.

The comparison between burning coal and burning wood is not valid. Green and air dried wood has about the same energy content per tonne as brown coal (but much higher emissions of methane and nitrous oxide). Wood only looks better in this comparison because its CO₂ emissions are ignored.

The CO₂ emissions from logging and burning wood, especially native forest wood, should be fully accounted for, as either scope 1 or scope 3 emissions. This is consistent with full carbon accounting (UNFCCC methodology) and recognises that, while forests may eventually regrow over decades or centuries, the time period between emissions and restoration of carbon stocks has a significant impact on atmospheric concentrations of greenhouse gases and climate change.

Recommendation 3. SEFE's Environmental Assessment should analyse the impact of the woodchip mill and the proposed biomass power plant on atmospheric concentrations of greenhouse gases over time, including all emissions resulting from the decrease in native forest carbon stocks caused by logging.

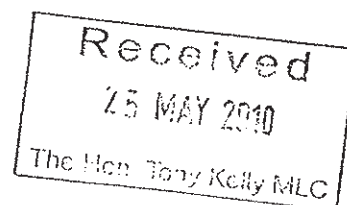
#1804

1804

Alexander McRae,
64a Scarborough Street,
Bundeena, NSW 2230.

Hon Frank Sartor, Minister for
Climate Change and the Environment
Level 35, Governor MacQuarie Tower,
1 Farrer Place, Sydney

CC: Hon Tony Kelly, Minister for Planning
Hon Kristina Keneally, NSW Premier
Hon John Kaye, Greens MP



Monday, 24 May 2010

Dear Minister Sartor,

I write to you because I am deeply grieved about the continuing effect of the Eden pulp mill on the native forests and local communities of southern NSW and Victoria.

I urgently ask that you:

- refuse the request of South East Fibre Exports (SEFE) to construct a wood-fired power station
- call a halt to the logging of Mumbulla Mountain
- close the Eden pulp mill.

I make these requests for the following reasons:

- Economic: The woodchipping industry provides very little direct employment. In Bega Valley Shire it is 0.2%, in Eurobodalla below 1%.
- Woodchipping yields very little money to the local economy. In 2004, tourism brought \$209 million into the Eurobodalla area, compared with \$10 million for agriculture, fishing and forestry combined
- Very little wood derived from logging native forests ends up as quality wood products such as furniture. 2005 government documents revealed that 90% of wood taken from native forests in the Eden region ended up at the chipmill. Woodchips are used to make low-quality products such as palettes, which could be produced just as well from plantation timber.
- Woodchipping is heavily subsidised by the taxpayer, as SEFE pays well below commercial rates to the NSW and Victorian governments for logs, and logging contractors are also subsidised by Australian government grants for equipment, trucks and training.

It has been reported that Forests NSW spends \$3.5 million a year more than it receives for sale of trees to the Eden woodchip mill. In other words' Forests NSW makes a loss.

- Environmental: The proposal for a wood-fired power station flies in the face of efforts to address global warming. It is a “double-whammy” against the environment, taking away the trees which process oxygen and then burning them.

It has been estimated that over 18 million tonnes of Co2 is generated by logging for the Eden chip mill every year. This is more than the emissions from every car in Sydney for a year.

In addition, NSW Greens MP John Kaye has reported that a wood-fired power station would generate at least four times as greenhouse emissions as a coal-fired power generator.

- I am deeply concerned to hear reports that the claim of only “waste” products being used in woodchips is a [REDACTED], as apparently the Eden mill is only capable of processing whole logs.

Surveys by Chipstop have revealed that trucks entering the Eden mill are consistently laden with whole trunks, and the photographic evidence for this is abundant.

- I am heartbroken to hear that according to the National Parks and Wildlife Service Atlas of NSW Wildlife (2006), 69 fauna populations are endangered and vulnerable in the area covered by the Eden Regional Forests Agreements (RFAs), and that the koala and long-footed potoroo are on the verge of extinction in the Eden region.
- Native forests are mature complex ecosystems which take up to 150 years to establish. Regrowth forests are extremely simple in comparison, often dominated by Silvertop ash. A loss of many elements including soil quality and old hollowed out trees means many species have difficulty establishing homes in regrowth forests
- Forests also play a vital role in holding and gradually releasing rainfall, and their preservation is essential to guard against rainfall runoff and soil erosion, and maintain steady water supplies to local communities, such as the town of Wyndam which has recently been the site of large community protests against woodchipping.
- Democratic: opinion polls from 1985 on reveal the majority of the people of NSW are opposed to woodchipping of native forests.

For all these reasons outlined above, I consider the woodchipping of South-East NSW to be a state and national disgrace, of no genuine benefit apart from financial gain to the wholly Japanese-owned company, SEFE.

I personally feel that this loss of our precious environmental heritage, and concomitant negative affects on local communities, and the NSW taxpayer, is a real tragedy.

I therefore urge you Minister, to urgently meet my requests made above, to end woodchipping in southern NSW, especially on Mumbulla Mountain, and refuse the current application for development of a wood-fired power station, and instead commit to developing a programme for sustainable employment on the NSW coast, in areas such as windpower, plantation wood and tourism.

Thanking you for considering my submission,

Yours sincerely,

A handwritten signature in black ink, reading "Alexander McRae". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Alexander McRae

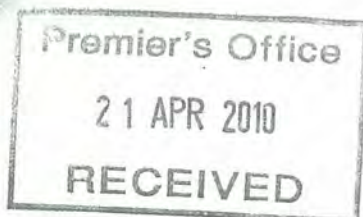
Sources:

Saving Southeast NSW Forests: Protecting Native Forests from Woodchipping by Using The Plantation Estate, www.nsw.greens.org.

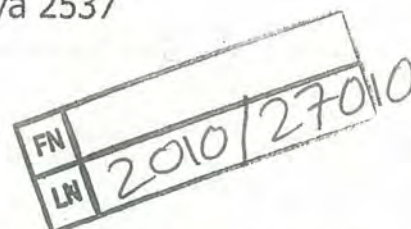
www.endsoutheastwoodchipping.wordpress.com

www.chipstop.forests.org.au

Eden feels heat over wood-fired power plant, Sydney Morning Herald, April 26, 2010



Yvonne Holt
Eurobodalla Greens Member
PO Box 295
Moruya 2537



Ms Kristina Keneally
Premier of NSW

Copy: Peter Garrett, m.p., Mike Kelly m.p. Andrew Constance m.p. Mike Sar
m.p.

Dear Ms Keneally

I am taking the liberty of forwarding a copy of my objection as a member of the Greens Party, to the proposed wood fired Eden power station (at the South East Fibre Exports chip mill site, Edrom Road Eden NSW).

As stated in the conclusion of this objection, the exploitation of our forests in this way by a wholly owned Japanese Company is both insane and morally wrong.

(From Anne Marett, Secretary, on behalf of the Eurobodalla Greens Group, 1 April 2010.)

Introduction

The proposal to establish a wood fired power station burning native forest wood raises many concerns which deserve serious consideration and would lead to the conclusion that this project must be rejected by the current government or any future government.

This proposal is designed to continue a highly destructive industrial logging activity that is costing the environment and taxpayer dearly. The fuel to be used is not "waste", but this project would create an alternative use for the one million tonnes of native forest trees currently logged each year to supply a rapidly declining woodchip market for paper production.

Comment on the Environmental Assessment

The scope of the final Environmental Assessment for this project is so narrowly defined as to be verging on meaningless:

- it ignores the ecological implications of intensive, industrial logging required to supply the fuel for such a power station
- it fails to consider the on-going disruption to local stream systems, and hence local water supplies, generated by intensive industrial logging in the SE of NSW and East Gippsland
- it fails to take into account the carbon emissions of the full life cycle of the fuel, ignoring the greenhouse impacts of native forest logging



13 April 2010

The Hon Kristina Keneally MP
NSW Premier
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000



Dear Premier

South East Forest Wood Fired Power Station

I write to ask that you stop the proposal for a power station fuelled by South East forest wood chipping. I have previously written to the Minister for Mineral and Forest Resources about protecting koala habitat in the South East forests from logging.

The NSW Government is considering approval for a woodchip-fired power plant at the Eden Woodchip Mill, contrary to promises not to use native forest wood for energy generation.


A woodchip-fired power station at Eden:

- Is not "clean green energy" and will undercut solar, tidal and wind power generators;
- Undermines the urgent need to stop logging, woodchipping and clearing of native forests;
- Will assure the regional extinction of koalas and other endangered forest species including owls, gliders, possums, bats and Superb Parrots;
- Creates a vast new market for woodchips on top of the massive export market of woodchips for paper production; and
- Will add up to 20 per cent to Australia's CO2 emissions.

I sponsored the *South East Forest Protection Bill* in 1993, which is the basis for preserving key wilderness and forest areas, and have consistently campaigned against land clearing, wood chipping, the Mogo Charcoal Plant and the destruction of forests and biodiversity. Climate change has brought these concerns into new focus, and the Government should take all logging and wood chipping out of forests, and create a genuinely sustainable logging industry based on plantations.

Could you please refuse the proposed Eden Woodchip Fired Power Plant and inform me what action you will take?

Yours sincerely


Clover Moore
Member for Sydney

premier

From: "All Things Garden" [atg-gabi@bigpond.net.au]
Sent: Wednesday, 14 April 2010 4:30 PM
To: <premier@nsw.gov.au>
Subject: Eden wood fired power generation

Ms Kristina Keneally
 Premier of NSW

Dear Ms. Keneally

Re proposed wood fired power station (at the South East Fibre Exports chip mill site, Edrom Road Eden NSW).

Introduction

The proposal to establish a wood fired power station burning native forest wood raises many concerns which deserve serious consideration and would lead to the conclusion that this project must be rejected by the current government or any future government.

This proposal is designed to continue a highly destructive industrial logging activity that is costing the environment and taxpayer dearly. The fuel to be used is not "waste", but this project would create an alternative use for the one million tonnes of native forest trees currently logged each year to supply a rapidly declining woodchip market for paper production.

Comment on the Environmental Assessment

The scope of the final Environmental Assessment for this project is so narrowly defined as to be verging on meaningless:

- it ignores the ecological implications of intensive, industrial logging required to supply the fuel for such a power station
- it fails to consider the on-going disruption to local stream systems, and hence local water supplies, generated by intensive industrial logging in the SE of NSW and East Gippsland
- it fails to take into account the carbon emissions of the full life cycle of the fuel, ignoring the greenhouse impacts of native forest logging
- it trivializes the potential ecological impact of heated waste water to be discharged into Twofold Bay
- it fails to examine the human health implications of the emissions of the furnace
- it overlooks the impact of salt contamination on the stockpile of fuel, stored just a few metres from the ocean, which will increase dioxin levels
- it trivializes the impact of the sulphur dioxide odour, generated by the process, on the local community
- it completely overlooks the consequences of acid rain which will result from the sulphur dioxide emissions
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Other General Concerns

- Not a "green energy" solution - this project is dishonestly justified on the basis of it contributing green energy for the chip mill activity and the region.

In fact when the full life cycle of industrial logging is taken into account it will far exceed the greenhouse gas emissions of even a coal fired power station (up to 6.4 times more greenhouse intensive). However it will not be competing with coal fired power production. If it is permitted under the Mandatory Renewable Energy Target MRET Scheme, it will be displacing genuine clean energy sources including solar, wind, geothermal etc.

- Cost to taxpayers - the current native forest chip milling industry is costing the Australian taxpayer dearly. To prolong this industry in the guise of green power would be to continue this cost, at the very time when the Australian taxpayer is sending aid to SE Asian nations to cease logging of their forests.
- Lost carbon sink - the native forests of SE Australia, if rehabilitated and protected, have the potential to store very significant amounts of carbon (refer to Mackey et al "Green Carbon" 2008). At the same time they would protect local fresh water supplies and assist in producing rainfall across the increasingly drought prone SE, while protecting the ecological diversity of these ecosystems.
- Not an efficient or economic solution – this power plant will be extremely inefficient (75% heat will be lost) and expensive. The site happens to be one of the best locations in Australia for wind power which could produce the same amount of power for less.

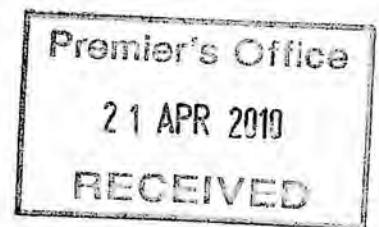
Conclusion

[REDACTED] The international demand for native forest woodchips is in decline and Japanese paper manufacturers are increasingly reluctant to accept the Australian Forestry Standard (AFS) certification currently attached to native forest wood products. It is not considered a guarantee of sustainability.

To prolong the life of native forest industrial logging in SE NSW and East Gippsland by creating a high greenhouse gas emitting power generation industry, at this time when we understand how critical it is to massively reduce our greenhouse gas emissions, would be insane and immoral.

Yours Truly
Gabriele Harding

Kristina Keneally
Governor Macquarie Tower
Garrar Place,
Sydney NSW 2000



1809

Dear Premier,

I write to with a request regarding the situation in Mumballa and the current proposal by the owners of the Eden Chipmill (South East Fibre Exports) to build a wood-fired power plant at Eden. I am aware is being considered by the NSW government, despite to its promise never to use native wood for energy production

I am writing in the hope that this proposal may be halted and a more sustainable logging industry based on plantations may be created.

I am of the strong opinion that this proposal should be stopped . Not only does biomass fuel make no environmental sense, but it allows the destruction of native forests to continue unabated through the continuation of woodchipping, with the inevitable effects of destroying biodiversity and condemning more native animals to extinction.

The Department of the Environment has established that there is a forests are also due to be logged in March, Small populations of recovering koalas that thriving population of 30-50 koalas on the NSW south coast, in the Mumballa state forest. 92% of Mumballa is due to be logged. In the process of clearfelling, allotments will be burnt after logging, which will further decimate the remaining koalas. Compartments in other as yet unsurveyed have not yet been identified will most certainly disappear, and the south coast koalas will most likely face extinction as their habitat recedes.

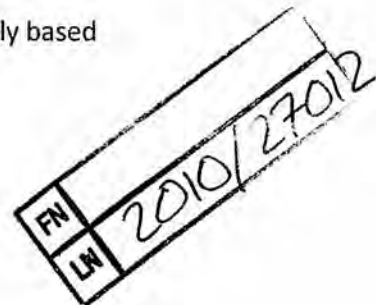
These forests contain critical habitat for endangered spieces such as the Long-Nosed Potoroos, Sooty Owls and Eastern Grey Headed Flying Foxes, and the endangered Swift Parrot.

The NSW government appears to be displaying miminimal concern regarding the survival of this national icon – the koala, over our natural heritage and over the expansion of industries such as tourism on the south coast. With the objective of a short term supply of sawlogs and woodchips, the logging of native forest could lead to the extinction of the koala, one of our most important totems of cultural heritage. There are now enough plantation resources available in Australia to ensure that no more destruction need occur, such as logging of these incredibly important forests.

The Environment Minister has stated he cannot alter supply contracts, but your Government *does* have the power to stop this logging. Or it can tolerate the public disgrace of being the Government that pushed Australia's iconic koala to regional extinction in the South East Forests of NSW.

We hope you will opt for saving these regional koalas and support a scientifically based recovery plan for them.

Name Frances Evans Signed Frances Evans



premier

From: <gilbert.murray@pmc.gov.au> [gilbert.murray@pmc.gov.au]
Sent: Thursday, 13 May 2010 7:24 PM
To: <premier@nsw.gov.au>
Subject: Ministerial Correspondence Referral from PM&C. C10/34956 [SEC=UNCLASSIFIED:NO CAVEATS]

The below correspondence addressed to the PM was received by PM&C and has been referred for your Minister's consideration. Thank you.

Reader: Murray, Gilbert
Date of letter: 27 Apr 10 20:24:49
PMC ID: C10/34956

Title: Dr
First Name: Valerie
Last Name: Densmore
Email: euderma@bluebottle.com
Street Address: 4/19 Stuart St
Suburb: Collaroy
State: NSW
Post Code: 2097
Country: Australia

Eden wood-fired power plant

Subject - Eden wood-fired power plant

Message - Dear Prime Minister Rudd,

It caused me great dismay to learn you and NSW Premier Keneally are considering supporting a wood-fired power plant based in Eden NSW. In addition, it is reported you consider this scheme to be a "green power" option to reduce carbon emissions. Despite what South East Fibre Exports may claim, burning scrap wood derived from logging native forests will produce more carbon emissions than coal-fired power plants. Some estimations predict a quadruple-fold increase. Moreover, this wood-fired power plant would exert continued pressure to log native forests, producing additional environmental damage, including altered hydrology and dryland salinity, reduced wildlife habitat, and the destruction of existing carbon sinks.

Please Mr Rudd, I beg you to reconsider this scheme. Land clearing (like logging native forests) underlies the vast majority of serious environmental degradation that currently challenge us in Australia. Perhaps a bill requiring all new developments and refurbishments to included solar panels would be a less expensive option that would certainly also be less damaging to our environment.

All the evidence supports you to be a considered and wise person trying to negotiate the political waters to produce the best outcome for your countrymen. A wood-fired power plant, however, will not produce the best outcome for anyone.

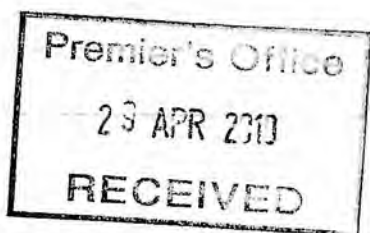
Thank you for your time and attention to my message. I wish you continued success (and wisdom)

Sincere regards,
Valerie Densmore

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3 Russell Ave
Adamstown Heights
2289
27th April
2010

FN	
LN	2010/25333

Dear Ms Kenneally,

Yesterday I read a very disturbing report in The Sydney Morning Herald about plans to start a wood-fired electricity generator down near Eden.

It will mean more native forest will have to be cut down. These will be turned into wood chips and then burnt to produce electricity.

Our carbon emissions will increase from cutting down the trees, from the power needed to turn said trees into woodchip & then in the actual process of being burnt to create electricity we will produce even more carbon than burning brown coal!

Our native trees are precious especially providing a capturing of CO₂ from the

2

atmosphere.

This whole process will
massively increase our carbon
footprint.

It is a filthy, short-term
fix. This at a time when
we should be looking at
which renewable energy
source to use.

I hope you & your
government will reconsider
this whole idea and go
with renewable energy instead.

Thank you.

Yours sincerely

Julie Hearne
(Julie Hearne)

From: <ibushirley@gmail.com>
To: <premier@nsw.gov.au>
Date: 26/04/2010 3:53 pm
Subject: Message from Premier's website

2010/26540

From: Shirley Douglas (ibushirley@gmail.com)
Phone #: 02-64942376
Postcode: 2550
Subject: 'Message From Premier Website'
Message:

Dear Premier - I want to register my strong objection to the establishment of the proposed wood-fired power plant at Eden. If your government has any concern for reducing total carbon emissions and taking real steps to address global warming you will not give any encouragement to such a venture. I have voted Labor at the state and federal level all my life, however I feel so strongly about the need to protect our environment, including the forests of the south east of this state that I will cease my support for Labor if this project proceeds.