

**Overview of UK BEIS Report: [Use of high carbon North American woody biomass in UK electricity generation](#)’.**

- The report is an extension of the UK Government’s original [BEaC report](#).
- For years, critics of biomass have based their claims entirely on BEaC scenarios that have been discredited in this detailed study.

## Summary

BEIS commissioned this study to assess the likelihood of wood pellets for power generation leading to high carbon scenarios occurring now or in the future.

This is an extension of the Bioenergy Emissions and Counterfactuals (BEaC) model, which outlined potential scenarios, but didn’t assess how likely they were. A key factor that the BEaC model did not consider was the economic drivers influencing forest management, which this study does include.

Rather than looking at the most likely impact that pellet sourcing will have on North American forestry, the report instead focuses on the risk of high-carbon scenarios occurring, which would not generate the desired carbon savings.

Of the 38 scenarios that could lead to high-carbon fuel sourcing, 15 are not occurring now or in the future, with further 18 not being considered, which leaves only five remaining scenarios. When assessing these scenarios in-depth, the study states that regulation would prevent them from occurring, deemed them unlikely to happen, or determined that pellet demand alone will not cause them to happen. The key factor was these scenarios were simply unlikely to happen “as a result of pellet demand alone, because financial return is not adequate and sustainability requirements would not allow this change”.

The study reports:

*[...] Analysis showed that even if small roundwood prices doubled, it would not be sufficient income to justify conversion of land to intensive small roundwood only management. [...] This study did not find any justifiable link between pellet demand and impact on conservation. [...] What [pellet demand] does not do is decrease rotation.*

In its summary report, the study concludes that the most likely biomass sourcing will use the low-grade materials unused or unterutilized by other industries:

*“Overall the most likely supply strategies are those that can be integrated with other higher value product supply chains, requiring little change or investment. Evidence from the questionnaire was that pellet demand is unlikely to drive rotations or harvest alone. This is because pellets are regarded as a low value product that improves margins but does not drive*



*forest practice and such strategies are likely to be the most financially viable.”*

This again underlines what the biomass power sector has stated for years - that pellets are of such low value that it is unrealistic and unlikely that forest landowners would consider felling a tree to produce pellets, when the timber production for construction and furniture is much higher value. Bioenergy cannot compete on price with the construction sector for the same wood – it takes the leftovers.

The report closes the discussion on whether the use of wood pellets for biomass power generation is likely, in some circumstances, to lead to high-carbon outcomes rather than the desired carbon saving. It concludes that of all the hypothetical scenarios the BEaC model listed, only five could happen and even they are unlikely to due to regulations or pellet demand alone.

Using wood pellets for energy generation supports forest owners with additional income, uses residues, offcuts, or thinnings unsuitable for timber production, and generates significant carbon savings at a lower cost.