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## **Drop biomass access charge plan says GB Railfreight**

GB Railfreight (GBRf), the first and only freight operator contracted to regularly carry biomass between UK ports and power stations, believes rail is the only viable means of transport for the movement of this sustainable fuel.

Submitting evidence to an inquiry into bio-energy by the Commons Select Committee for Energy and Climate Change the company expressed the opinion that mode of transport is crucial to ensuring the sustainability of the biomass market.

GB Railfreight told the committee that a secure rail freight market is the only practical and sustainable solution to transporting biomass to power stations. The rail sector has strong environmental credentials and is clearly the obvious option for the movement of biomass if the UK is to meet its carbon reduction targets.

To facilitate continued growth in the use of biomass in power generation and the cut in carbon emissions that would follow GBRf urges the following:

- Any decision on introducing access charges for the carriage of biomass by rail should wait until the market has matured, which GBRf considers to be at least ten years. The proposed introduction of the charge in April 2014 could add £1 - £1.50 per tonne to the price of biomass, which would adversely affect the UK biomass haulage market as well as jeopardise some proposed biomass conversion projects.
- The DfT, the ORR and DECC should co-ordinate policies to ensure an inter-relationship between biomass subsidies, renewable policies (e.g: Renewable Obligation Certificates) and any potential rail freight charge is explored in detail.
- Focus strategic freight network funding on improving connecting corridors between deep-water ports and power stations ready to convert to biomass as well as ensure adequate deep-sea capacity at UK ports to allow 'Capesize' vessels to dock.

John Smith, GB Railfreight's managing director, has - as a result of GBRf's ground breaking three-year involvement with the movement of biomass – a unique insight into the complexities of transporting the biofuel.

*He said: "GB Railfreight welcomes this inquiry as a means to consider what conditions are needed in order to best support the growth of the biomass sector. GBRf strongly believes the biomass industry can only be as strong as its supply chain. But current Government policy on electricity markets is unclear and is leading to reluctance by investors to lend to rail freight operators hoping to enter the biomass supply chain. Therefore the ability of the private sector to make the necessary substantial investment in the biomass supply chain is limited."*