

**MEDIA RELEASE:**

**COUNCIL TAKES LESS THAN 5 MINUTES TO OPEN DOOR TO WOOD BASED ENERGY INDUSTRY** Harriet Swift 14.06.2011

The Bega Valley Shire Council took less than 5 minutes today to take a decision which opens the door for the woodchipping industry to start a transition to energy production from native forests.

Councillors voted 7 to 2 in favour of a pellet plant, with only Councillors Hughes and Seckold opposing it.

Against a background of contracting markets and a higher \$A, the approval of a wood pellet plant will help the Eden woodchip mill to generate an income and test and develop markets for a new native forest wood product.

The pellets to be produced largely from native forest wood will be used in domestic heating or industrial processes.

Conservationists fear that the pellet production will be the first of other products generating energy and the Eden chipmill is already seeking approval for a wood fired power station using largely native forest fuel.

Greens Councillor, Keith Hughes opposed the project, arguing that it was only made possible by a \$1m a year subsidy from Bega Valley ratepayers.

Forests NSW, unlike other government owned businesses enterprises and private plantation operators does not pay any local government rates on its production forests.

(See separate statement from Cr Hughes).

Forest campaigner, Harriett Swift said that it is a sorry day for the Bega Valley Shire.

This region was the birthplace of export woodchipping in Australia and is now set to lead the charge in finding ever more destructive uses for the forests.

If these pellets are exported, as we understand the chipmill intends, there are virtually no constraints on how they are manufactured or used.

While this is a relatively small pilot plant, the company has made it clear that it intends to expand at the first opportunity.

I am disgusted that the council took so little care and time in making a decision which has such far reaching implications for the forests and the economy of the region, Ms Swift said.

Contact: 0414908997

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