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## **Federation Leads Push for Review of Plans for Wood Pellet Project**

MOREHEAD CITY – The N.C. Coastal Federation and the local group that led the successful fight last year to stop a proposed sulfur smelter at the state port here have asked the N.C. State Ports Authority and other state agencies to adhere to state law and assess the potential environmental effects of state plans to store and ship wood pellets at the port.

The Southern Environmental Law Center in Chapel Hill sent a letter Tuesday on behalf of the federation and the Clean County Coalition asking for the review. The letter was sent to Thomas Bradshaw, executive director of the Ports Authority; Eugene Conti, secretary of the N.C. Department of Transportation; and Scott Saylor, president of the N.C. Railroad Co., a private company owned by the state. The Ports Authority is under DOT administration.

News reports several weeks ago revealed that the Ports Authority is prodding the railroad company to quickly pledge \$70 million over the next decade for a new storage facility at the Morehead City port that could start shipping wood pellets to European electric utilities by January 2014. The pellets would be made from forests in Eastern North Carolina and shipped to Morehead City by rail, quadrupling the yearly train traffic on the single track through downtown.

Wood is considered a “biofuel” and is thought to release less carbon dioxide, a powerful greenhouse gas, when burned than an equivalent amount of coal, though several recent studies question that claim. European power companies, however, are increasingly looking to forests in the Southeastern United States to provide wood pellets to replace coal. More than 1.5 million tons of pellets, mostly from Southern trees, were shipped from the United States to Europe last year. That number is expected to reach 5.7million tons in three years.

Using Eastern N.C. forests as Europe’s fuel depots could have severe environmental implications for the region’s woodlands, the groups note in their letter. Increased train and truck traffic through Morehead City could be unsafe, create problems with noise and dust and affect the town’s tourist-based economy, they write.

“This proposed project has the potential to cause significant adverse impacts to Morehead City, including its residents, visitors, local businesses and environment,” the letter states. “It also has the

potential to cause significant adverse impacts to North Carolina forests from accelerated harvesting to meet the demand for wood pellet export.”

The state Environmental Policy Act requires that those and other potential adverse effects be studied before the project moves forward, the groups note. The law requires that any project on public land or that involves public money; requires a state action, such as a permit; and has potential environmental effects must first undergo a review of the possible issues. The proposed wood pellet facility meets all three requirements of the law, the letter says.

“The law is meant to reduce surprises, to study all the possible effects before public money is spent or a shovel of dirt is turned,” noted Todd Miller, executive director of the N.C. Coastal Federation. “This is a state project, using taxpayer-owned land. These state agencies need to adhere to the law.”

If it had done so several years ago when it bought land for the ill-fated International Terminal near Southport, the Ports Authority may have saved taxpayers a bundle, Miller noted. Without doing any environmental review or study, it bought 600 acres for \$30 million, which was more than the land’s tax value at the time. Public opposition to the new port ignited soon after plans were announced. Political support eventually shriveled, and the project has been on indefinite hold. The land now has a tax value of about \$13 million.

“If the law had been followed in that instance, public opposition would have surfaced during the review process, as would the land’s true value,” Miller said. “It would have led to more prudent decisions.”

Not much is known about the wood pellet project or how it might affect Morehead City, noted Richard Bierly, the president of the Clean County Coalition. Residents and business owners are worried about drastically increasing train traffic along the one, street-level track through the middle of downtown.

“How much noise will that create? What will it do to traffic? How would tourists react?” Bierly said. “Those are the types of questions we need answered before we can adequately assess this project. The review that the law requires would begin to provide those answers. It seems to me that asking these state agencies to follow the law is not an unreasonable request. ”

The groups also ask, under the state’s Public Records Law, for all written and electronic records regarding the project.

“This is exactly the type of project that the law is designed for,” said Geoff Gisler, staff attorney with the Southern Environmental Law Center. “A public entity using public money to build a public project that will have long-term impacts on the environment demands an opportunity for public input; state law requires it.”