



The Lord Callanan

Department for Business, Energy and Industrial Strategy
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minister.callanan@beis.gov.uk

14 April 2022

Dear Lord Callanan,

BSL Certification Issues & Impact on Wood heat industry

We are writing to you from the Association for Renewable Energy and Clean Technology Wood Heat Forum (REA-WHF) and UK Pellet Council to make you aware of the recent industry frustrations felt as a result of how the new Biomass Fuel Quality Standards - which were scheduled to come into force on 1 April 2022 - were implemented as part of the Renewable Heat Incentive (RHI).

We fully support the introduction of the new standards, however, the industry has experienced inconsistent and contradictory communications, as well as the unexplained suspension of BSL numbers, which led to a great deal of difficulty for both wood fuel suppliers and their customers. While we are pleased that a BSL extension has been introduced, BEIS, Ofgem, Woodsure and the BSL must now work closely with the industry to ensure lessons are learned from this experience, offering speedy resolution to any future problems.

As a way of demonstrating the impact of this issue, the UK Pellet Council reported that, amongst their members, 17 of BSL members were unfairly suspended ahead of the 1 April deadline, when the new requirements were due to come into force. This was despite previous communications from the BSL that these suppliers need take no further action. This led to serious knock-on effects as RHI consumers saw their monthly claims rejected by Ofgem which immediately affected their cash flow, due to no fault of their own or their suppliers. These issues arose due to a lack of a reasonable and clear process for demonstrating compliance being in place well ahead of the new requirements coming into force. In addition, there has evidently been poor communications between Woodsure, the BSL and Ofgem around what is expected of market participants and what are appropriate steps to get market engagement with the new fuel quality standards.

We strongly welcome the BSL deadline extension to 1 June 2022 as well as the fact that the BSL number suspensions have been lifted. This has given everyone much needed room to breathe and provides the opportunity to review the current situation. At this time, we would urge you to establish a roundtable between BEIS, Woodsure, Ofgem, the BSL and ourselves to provide an opportunity for open discussion about what happened and ensure that appropriate lessons are learnt. This should also be used as an

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opportunity to address any outstanding concerns and determine practical steps to streamline the fuel quality standard requirements.

In this roundtable we would particularly like to discuss how we can work together to achieve the following:

- **Stronger communication between BSL/Woodsure and suppliers.** We recognise that some biomass fuel suppliers were slow to respond to the new requirements, however this could well have been simplified if there had been a better process in place between the BSL and the standard body, Woodsure.
- **Increased resourcing for BSL/Woodsure to deal with the introduction of new requirements.** We note that both BSL and Woodsure suffered IT issues and Covid related staffing problems. These understandably affected their ability to both set out what was required of industry and respond to industry queries. These resourcing constraints need to be reviewed, including understanding how information can be made easier to find on relevant web pages so that there is less need for market participants to rely on the BSL helpdesk.
- **Improved internal communications.** Given Woodsure, HETAS, BEIS and Ofgem all share responsibility, or have interests in, BSL accreditations we would like to see clear steps taken to improve communications between all these bodies and industry.

Above all we wish to avoid biomass heat consumers from being financially impacted or for biomass supply businesses to cease trading entirely because of this disruption. As such, we are keen to see the whole industry move on as quickly as possible from these issues by working with all relevant bodies to ensure outstanding issues with the new fuel quality requirements are speedily resolved.

We hope this letter is useful to you in highlighting the issues around the implementation of the new Wood Fuel Quality Standards and we would be pleased to provide any further information you might need ahead of a roundtable.

Yours sincerely,

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Terence McCracken, Chair, REA Wood Heat Forum

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