

4th February 2022

MEDIA ALERT: MGT Teesside Biomass power plant – deadline extended to 28 November 2022

MGT Teesside biomass power plant has been beset with problems and is [still not up and running](#). In December 2021, it missed its latest deadline to begin operations, and environmental campaigners urged the [Low Carbon Contract Company](#) (LCCC) to reject any further deadline extensions.

The MGT Teesside plant will burn over one million tonnes of imported wood pellets a year. However, in 2018, the Government [said](#) that electricity of this type would “lead to greenhouse gas emissions significantly above the projected UK grid average for most of the lifetime of any new CfD projects”.

As such, if it bid for a Contract for Difference (CfD) today, MGT Teesside would not qualify. In January, Biofuelwatch, a member of the Cut Carbon Not Forests coalition, was informed via a Freedom of Information (FOI) request that the LCCC has once again extended the deadline for commissioning to 28 November 2022. This has not been publicly announced. The LCCC website continues to state that the project schedule is being [reviewed](#).

Almuth Ernsting, Co-Director of Biofuelwatch has made the following comments in response:

"In 2014, the Government awarded several Contracts for Difference, or subsidy guarantees, for burning imported wood pellets in very large power stations. One of these was the MGT Teesside biomass plant in Middlesbrough, on the condition that the plant would be up and running no later than 2018. However, in 2018, BEIS announced that no such subsidies for this type of biomass electricity would be granted in future, because they no longer considered it to be low carbon.

“It is therefore shocking that the BEIS-owned Low Carbon Contracts Company (LCCC), which manages those subsidies, has agreed to give MGT Teesside yet another year to start commissioning its plant and still receive the subsidies. This goes against the original terms of the contract, as set by the BEIS. The LCCC claims it wants to protect investor confidence, but MGT Teesside – despite failing to comply with the terms of its contract – is still on track to receive hundreds of millions of pounds of billpayers money each year, to produce high-carbon biomass energy.”