

Forest Industry Development Agenda (FIDA)

John Stewart
Account Manager
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EECA – Who are we?

Crown owned entity created in July 2000 by Energy Efficiency and Conservation Act.

Our mission:

“To encourage, promote and support energy efficiency, energy conservation and the use of renewable energy sources”

EECA Board

- 8 members, reporting to the Minister of Energy

Operational and policy mandate



National Energy Efficiency and Conservation Strategy (NEECS)

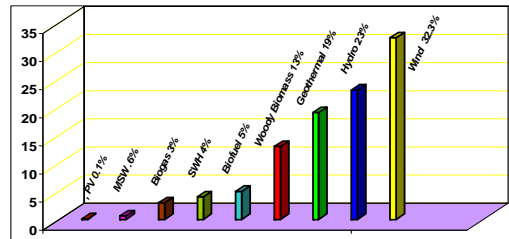
Cabinet approved NEECS in October 2001
10 year strategy to 2012

Targets

- Achieve “At least 20% improvement in economy-wide energy efficiency by 2012”
- “Increase renewable energy supply to provide a further 30PJ of consumer energy by 2012”



Where could the PJ's come from?



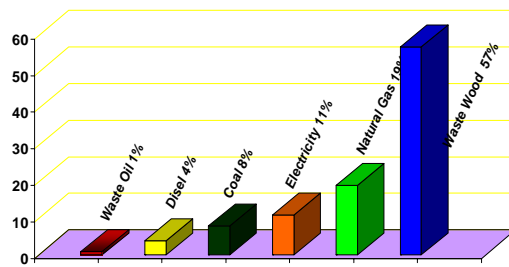
Activities to date

- Wood waste and forest residue assessment.
- Nationwide heat plant database (>1 MW).
- Co-firing woody bio-mass with coal.
- Economics of forest residue recovery.
- Scoping study for an information handbook.
- Pre-drying woody biomass prior to burning.
- Viability of a wood pellet industry.



Total Sawmill Energy by Fuel Type

Typical energy supply to saw mills in New Zealand based on energy audits reviewed in 2004.



What is FIDA?

- Originally developed under the FIFA building on WPS
- Develop strategic approach to Industry's future growth
- 6 key initiatives announced in April 2005.
- Bio-energy initiative, funding of \$2.5m 2005 to 2009.
- Funding allocation for 2005/06 of \$670k.
- Target in 2005/06 is 0.6 PJ % 6.8 PJ in 2012.



Bio-energy Objectives

- Improve the returns for forest owners and wood processors.
- Provide alternatives to the use of fossil fuels.
- Encourage embedded electricity generation through the use of biomass co-generation.
- Promote the benefits of improving the use and operation of heat plant.
- Assess the opportunity for new products or technologies such as gasification & ethanol from woody biomass.



Bio-energy Initiatives

- Encourage the use of wood processing waste and forest residue as a fuel through information provision.
- Develop engineering solutions for harvesting methods for recovering forestry residue.
- Provide feasibility studies to illustrate commercial opportunities for woody biomass use.



Progress to Date

- Establishment of bio-energy advisory group.
 - John Gifford Scion
 - James Flexman Carter Holt Harvey
 - Howard Tonge Ahead Lumber Limited
 - Brian Cox Bio Energy Association of NZ
 - Peter Weir Emslaw One Ltd
 - Peter Clark PF Olsen & Co Ltd
 - Rob Mallinson Living Energy
- Confirmation of theme areas
- Allocation of funding for the 2005/06 budget.



Progress to Date (continued)

- Brief for the knowledge centre development & RFP.
- Criteria for funding applications of feasibility studies.
- Eighteen enquiries for assistance regarding fuel switching from coal or gas to wood waste. (26MW)



Potential Projects

- Economics of mobile chippers in forests.
- Fuel handling systems for heat plant.
- Drying of fuel in the forest to reduce transport costs.
- Barriers to the uptake of woody biomass as a fuel.
- Examine the potential for the production of ethanol.



Potential Projects *(continued)*

- Opportunities for short rotational crops as a resource.
- Use of woody biomass as a fuel for distributed generation.
- Assessment of new technology eg. gasification



In Summary

Bio-energy is important to renewable transition.

Opportunity to grow forest industry.

Develop new technology

Feedback



Improving energy choices

www.eeca.govt.nz

