



Renewable Diesel Fuel – Expressions of interest.

BACKGROUND:

GP International Limited (GPI) has for some time been working towards what is now the forthcoming production and availability of renewable diesel fuel (RDF) in New Zealand. The first RDF sample will arrive in NZ from the USA in Q1 2018. Commercial production in NZ is expected to be able to commence in late 2019.

RDF – this is not biodiesel - is a fully sustainable, carbon negative, drop-in diesel fuel which, because of the technology and the resulting co-products, achieves sequestration of more than 1 kg of CO₂ for every litre of RDF used. This is in addition to the fossil fuel substitution. It is therefore considerably better in greenhouse gas terms than even NZ electricity.

DETAILS:

- The technology is available from the USA where commercial operations are starting.
- The RDF fuel that is produced meets or betters NZ diesel specifications.
- It is EPA certified in the USA to be sold as diesel fuel.
- It is made from cellulosic feedstocks – forest industry processing residues or Miscanthus.
- A sample is currently being sent from the USA to GPI in NZ.
- All the relevant paperwork for this is being completed right now.
- GPI will get this product independently tested when the sample arrives here.
- This will be done by Independent Petroleum Laboratory Limited.
- A small number of serious partners could be supplied with samples for their own testing.

EXPRESSION OF INTEREST:

GPI is seeking expressions of interest (EOI) from parties – both government agencies and commercial entities - who may wish to be involved in:

- Bringing the first RDF fuel sample to NZ.
- Smoothing the RMA/regulatory process for the establishment and commissioning of the first production facility.
- Establishing this processing facility – which should be operational in approximately 18 months.
- Purchasing commercial quantities of the resulting RDF product.

Interested parties could include:

- Relevant government agencies.
- Major fuel users.
- Liquid fuel wholesalers.
- Renewable energy companies or investors.

EXPRESSION OF INTEREST - DETAILS REQUIRED

Details required in an expression of interest include:

- i. Role envisaged – one or more of the following:
 - Facilitator of start-up.
 - Investment in RDF production and supply.
 - Contracting for long term RDF purchase.
- ii. Location(s) in NZ where initial supply would be preferred.
- iii. Where a purchaser role is selected, we will need to know:
 - The annual quantity of RDF that would be required.
 - The price per litre (GST exclusive) that could be offered for:
 - 1 year fixed price RDF supply. *
 - 2 year fixed price RDF supply. *
 - 5 year fixed price RDF supply. *
 - 10 year fixed price RDF supply. *

* Note 1. Beyond the 1 year supply price, the RDF fixed price will be indexed to NZ inflation.

* Note 2. RDF supply contracts will be “take or pay” contracts.

* Note 3. Prices indicated in an expression of interest will be regarded by GPI as being indicative only and will not be construed to be a firm quotation or contract price.

EOI to be received by GPI by 4.00 p.m. Friday 9 March

FURTHER INFORMATION

Requests for further information and any questions should be sent to GPI in writing via:

Peter Brown peter@pfsc.co.nz

If needed, a GPI representative would be willing to meet with interested parties at a mutually convenient time and place between now and 8 March.