

Major Step in NZ's move to Renewable Diesel Fuel

Miscanthus NZ 9 March 2018



Miscanthus New Zealand (MNZ) Ltd and its sister company GP International Ltd (GPI) are happy to announce that New Zealand's first sample of CARBON NEGATIVE RENEWABLE DIESEL FUEL (RDF) made from cellulosic feedstocks, arrived in NZ last week and is now being independently tested.

This takes the development of renewable liquid fuels in NZ well ahead of anything considered by other market participants or researchers.

Direct production without any further upgrading

Unlike the strongly acid, water-based oil that comes from pyrolysis systems that are being developed by others for liquid fuel production, this RDF product needs no further upgrading and is ready to be used directly as a drop-in fuel in place of fossil fuel diesel.

The co-products that are formed during manufacture of the RDF have excellent markets - including export markets – so they contribute to the economic flexibility of the production of RDF making it price competitive. Peter Brown, Managing Director of MNZ said “The RDF could almost be regarded as a by-product of a system that is aimed at producing the high quality co-products rather than the other way around.”

USA testing already done

Testing of this RDF has already been carried out in the USA by SGS so the project developers have a very good idea of what to expect from the NZ testing. But they realise that NZ investors and NZ diesel users will be more comfortable with test results that have been produced locally. Although NZ specifications are a little tighter in some areas than those in the USA, MNZ is confident that this fuel is going to meet them with ease.

Investment interest already happening

The initial publicity about this revolutionary renewable fuel development – partly direct and partly through the Bioenergy Association of New Zealand - has resulted in strong interest being shown by a number of industry participants and would-be investors. This is encouraging, not only for MNZ and GPI but also for their USA and Canadian partners. GPI director Gary Milne said “GPI is quietly confident that our receipt of this sample of RDF represents the beginning of a transformation of attitudes to production of renewable fuel in general and it will be well-received by road and rail transport businesses.”

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