

Experiences from a Wood Boiler Supplier

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- 1. Living Energy
- 2. Learnings / Observations from 3 Case Studies
- 3. Other Experiences / Observations
- 4. Summary



1. Living Energy

- Established in 2003
- Installed over 40,000kW of wood boiler capacity (28 boilers)
- Boilers for full range of wood fuels : chip, pellet, sawdust and hog-fuel
- Can supply the wood fuel only, or full 'Heat Supply' (cents per kWh)





- Swimming pool
- Hospital & Rest Home
- Waste Water Treatment plant



Thames Centennial Pool

	Prior	Now
Heat Source	Electric Heat Pumps	Wood Chip (200kW)
Annual Bill	\$120,000	\$20,000

















Take-aways

- Paradigm shift to get away from heat pumps
- Lucky to have a community-minded sawmill
- Fuel Supply Conundrum no other demand
 - Setting logs aside to dry would make sense
 - But no economies of scale, and no cash !
 - Need a bigger local customer

A wood fuel depot

 Logs stacked for air drying prior to chipping

Courtesy : WENZ



Little Sisters of the Poor, Sacred Heart, Dunedin

Prior	Now
LPG	Wood Chip
900kW	300kW
\$250,000	\$70,000
	LPG 900kW



















Take-aways

- Professional & reliable fuel supplier
- It was worth the effort to get a large fuel store
- Smaller boiler works well (was 900kW, now 300kW)
- NZ struggles against European economies of scaleThis may play out in the wood boiler supply sector



Kapiti Coast Waste Water Treatment Plant

	Prior	Now
Heat Source	Diesel	Wood Pellets (or chip)
Annual Bill	\$450,000	\$200,000























Take-aways

- Takes a passionate champion to push project
- Big CO₂ savings 24% reduction in KCDC's carbon footprint
- Consultants very hard to persuade risk averse



- Gas, coal, LPG, diesel & elec are still 'default'
- Consultants are 'safety first'
- A lot more education is required
- Scarcity of capital or competition for capital is a major issue (short term view)
- So BOOT options are worth considering



• Get the wood boiler sizing right !

Some examples of sizing 'corrections' :

Site	Old boiler	Wood boiler	
Thames High School	700kW	300kW	
Golden Bay High / Pool	700kW	350kW	
Westland High School	2 x 450kW	1 x 500kW	
Dunstan High School	1200kW	650kW	
Dunstan Hostel	1000kW	250kVV	ommended
Hospital in Dunedin	900kW	300kW	

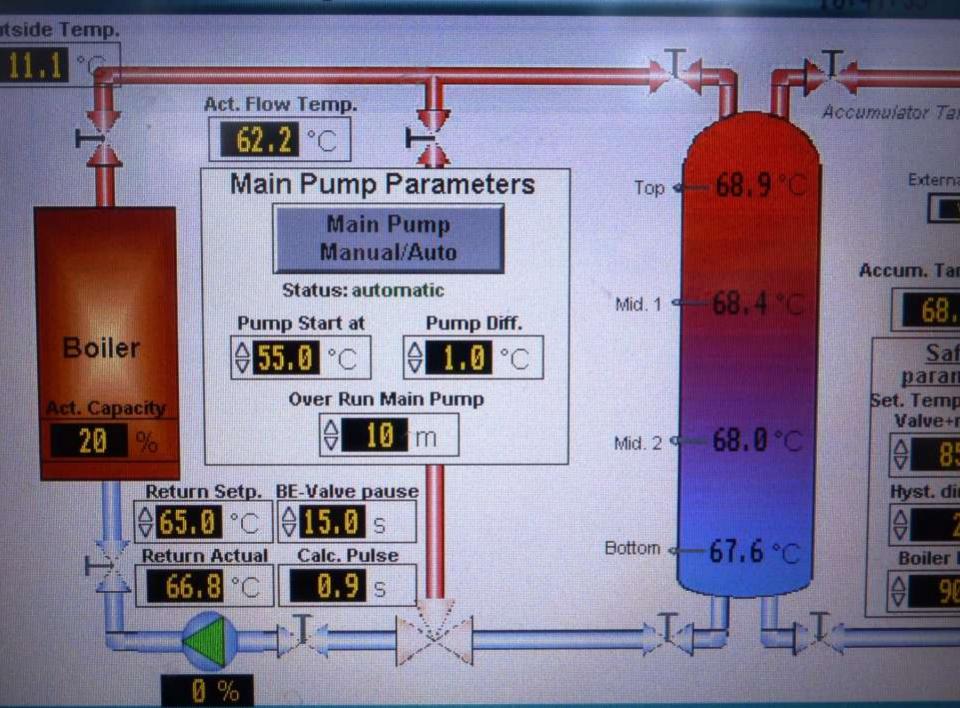
Optimising the wood boiler size saves installation and operating costs. It also extends the life of the boiler....

Achieving the Green Dream - Tomorrows Technology Today - September 16-17, 2010 Telstra Conference Centre, Melbourne





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- Use an accumulator tank if funds allow
- Need dry fuel if daily start-ups are required
- 300mm thick insulation is not done here
- A large fuel store is worth investing in
- Sometimes just bowl the building and start again





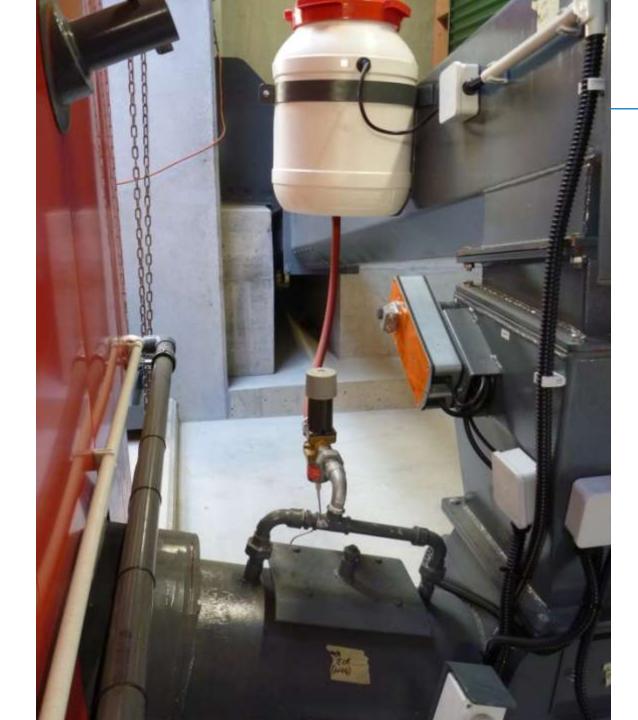
- Get the wood boiler sizing right !
- Use an accumulator tank if funds allow
- Need dry fuel if daily start-ups are required
- 300mm thick insulation is not done here
- A large fuel store is important
- Sometimes just bowl the building and start again
- Do not blow fuel! Tip is best, next best auger







• Safety is paramount : Need a physical burn-back barrier



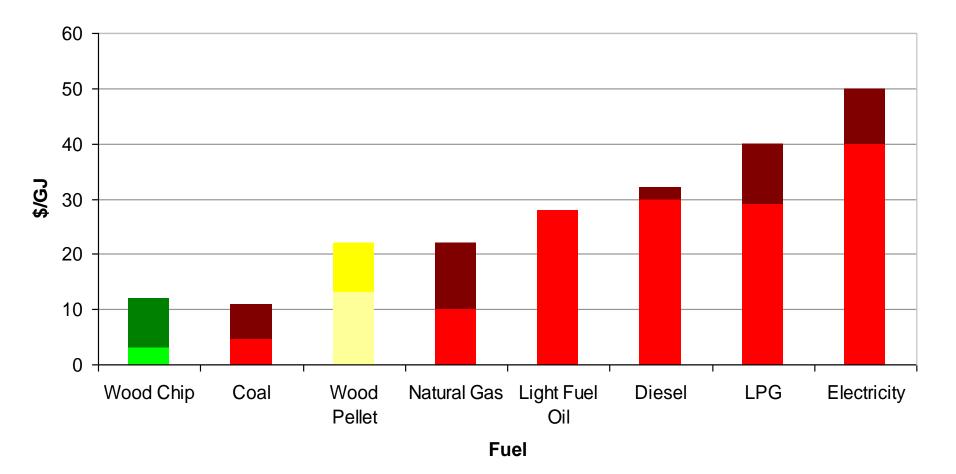
Safety Features : **Burn-back** flap and dousing tank



- Safety is paramount : Need a physical burn-back barrier
- There is room for regulation here
- 6 boilers in one day is possible !!
- European Advisers = better project outcomes
- Cheap conversions are debatable (e.g. Rotorua)
- Boilers have proved reliable and efficient
 - 100 tonnes of coal = 100 tonnes of wood chip
- Fuel supply is not just about price

Wood energy is cost-effective – but capital is scarce !!

Fuel Costs



Summary

- We have just scratched the surface : 1% of boilers
- Wood energy is a <u>very</u> cost-effective "CO2 abater"...
-and offers multiple other benefits to NZ Inc
- But capital is precious, certainly in the private sector
- And gas and coal is cheap !
- So users need to take a long term view, or do BOOT
- Or be encouraged to by long-term bi-partisan policy

THANKYOU