



**ELECTORATE OFFICE**

Shop 2, 424 Raymond Street

PO Box 9210

Sale Vic 3853

Tel: (03) 5143 1038

Fax: (03) 5143 1057

philip.davis@parliament.vic.gov.au

Dear [REDACTED]

## Potential for Development of a Wood Waste Electricity Generator in the Orbost district for far East Gippsland

### What is a woody biomass project?

A woody biomass plant would use waste wood from timber harvesting that is unsuitable for sawlogs and at present is left in the forest and burnt as part of the practice of regenerating logging coupes.

The volume of waste from timber harvesting in East Gippsland is currently about three times the volume of sawlogs. But the quality of the timber harvest is declining, which means an increasing amount of waste is being left in the forests. Industry forecasts indicate the ratio of waste to sawlogs may eventually be as much as six to one.

This means a substantial, and increasing, wood waste resource is available as a by-product of timber harvesting. Instead of being burnt on the forest floor, this waste could fuel East Gippsland's own electricity supply.

Around the world, biomass materials such as wood are already widely used to produce electricity. About 11% of the world's energy comes from biomass, about half of which is produced from wood waste. In countries including Sweden and Finland, it accounts for almost 30% of total stationary energy. For approximately half of the world's population, wood or other biomass is the main source of energy.

Examples can also be found on our own doorstep. The Maryvale Mill in the Latrobe Valley operates the largest renewable energy plant in Victoria, a 50 megawatt generator using waste from its pulp mills. To put this in perspective, it is about 2% of the 2200 megawatt generating capacity of Loy Yang Power. The Visy pulpmill in Tumut in southern New South Wales utilises woody biomass to generate electricity to run its mill from a 19 megawatt power plant. The facility uses a wide range of wood wastes including sawdust, bark, and municipal wood waste.

In fact, almost one-third of Victoria's renewable energy output is from biomass sources, including woody waste and waste from council landfill tips.

### Benefits of biomass electricity generation

Typically, carbon dioxide emissions from electricity generation using biomass are only 5% to 10% of the emissions from generation using fossil fuels, mainly coal.

Native forest ranks among the lowest greenhouse gas emitters when used as an energy source. Timber from native trees emits just 0.03 kilograms of carbon dioxide for each kilowatt hour of electricity it produces, compared with the Australian average of one kilogram of carbon dioxide for each kilowatt hour of electricity generated.

PTO



Your representative in the Parliament of Victoria  
Serving the communities of Eastern Victoria



To explain how we gain the benefits of using wood to produce energy:

- Fossil fuels such as oil, gas and coal fired electricity release carbon dioxide into the atmosphere during production and burning, and the same is the case when wood is burnt.
- However, growing trees absorb most of the carbon dioxide that is emitted during the harvesting, processing and burning of the wood.
- These trees then release oxygen into the atmosphere as well as storing carbon, resulting in a reduction in greenhouse gases and a virtually carbon neutral process.

#### What a biomass project would mean for Orbost and East Gippsland

- The project would use timber waste for a productive purpose.
- It would diversify the regional economy through the creation of a major new industry, and bring new jobs and broaden the skills of the region's workforce
- Far East Gippsland would enjoy a more reliable electricity supply.
- It would make a significant contribution to reducing Australia's greenhouse emissions.

A biomass plant located in the Orbost district would not be a large-scale industrial development; and, being low-emission, it would not have an adverse effect on the region's environment.

#### Government policy supports the increasing use of biomass

Recent changes to federal and state government policy have cleared the way for energy generation using forest waste in timber producing areas such as East Gippsland.

The Victorian Government supports renewable energy including bioenergy, recognising it can reduce greenhouse gas emissions, create large numbers of skilled jobs and provide a sustainable supply of energy. Its support for biomass projects, including those using native forest wood waste, is encompassed in the new Victorian Timber Industry Strategy.

Victoria's view is also consistent with the Federal Government's expanded Renewable Energy Target (RET) scheme, which aims to achieve production of 20% of Australia's energy from renewable sources by 2020. Wind and solar power will not meet this target. It will require a substantial input from biomass generation.

#### Seeking your views

I am keen to consult the Orbost district community to get as broad as possible an assessment of the community's view of such a project as a guide to my future course of action on your behalf. Therefore, I invite you to fill in and return the enclosed survey.

Yours sincerely



**PHILIP R DAVIS MP**  
8<sup>th</sup> April 2010