

Broadwater sugar mill co-generation project

This newsletter provides ongoing updates on activities in the Broadwater community related to the Sunshine Electricity renewable energy co-generation project.

The co-generation projects at both the Condong and Broadwater sugar mills have been developed by Sunshine Electricity, a joint venture of the NSW Sugar Milling Co-operative and Delta Electricity.

Sunshine Electricity will be one of Australia's largest renewable electricity generators and will make a substantial contribution to Australia's greenhouse gas reduction targets.

The project is very innovative and has captured tremendous interest within all levels of government and many industry bodies.

The Broadwater co-generation plant will benefit our community by:

- Generating renewable energy by using bagasse as fuel (bagasse is material left over after sugar cane stalks are crushed)
- Improving air quality in the region through reduction of pre harvest and post harvest cane fires
- Enhancing the viability of our NSW sugar industry
- Creating economic activity and jobs
- Replacing the old boiler equipment at Broadwater Mill with modern and cleaner operating boilers

CONSTRUCTION PROCESS

The construction of the 30 megawatt (MW) co-generation plant at Broadwater Mill has progressed to an advanced stage.

The new boiler structure has reached full height and the pressure parts are installed and tested.

Most major mechanical and electrical items have been installed and some initial testing is under way.

Conveyor construction is also progressing well. The conveyor structure from mill to stockpile has been built and the belt and electrical works will be installed shortly.

BENEFITS OF THE PROJECT:

The Broadwater Co-generation Project:

- Generates renewable electricity for sale to the public
- Produces enough renewable energy to supply the annual electricity requirements of a quarter of the Richmond Valley
- Reduces greenhouse gas emissions equivalent to 40,000 cars
- Assists in Australia's international commitment to implement greenhouse abatement options.
- Improves air quality in the Lismore, Ballina and Richmond Valley local Government areas, by using cane leaves currently burnt off in the paddock as fuel
- Contributes to the camphor laurel management plan
- Enhances the viability of the NSW Sugar Industry
- Creates economic activity and jobs

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MILL ACTIVITIES

The 2007 crush commenced on 29 June 2007. Severe frosts on 19 and 20 July have affected the crush and early harvesting is concentrated in those areas.

The additional cane harvested due to frost damage will mean the crush season will finish a little later than usual. All efforts are aimed at completing the crush before Christmas.

A number of new plant items being used for this crush have helped reduce impacts on the local community and the environment.

For instance, a new shredder electric motor has increased plant performance and by enclosing the shredder building, noise emitted from this area has been reduced.

In addition, a new fully enclosed bagasse conveyor belt has been commissioned and a roof vent on the crushing station building has been enclosed to prevent dust escaping.

ROAD WORKS

Traffic signal staff continue to manage traffic on the Pacific Highway. This may cause occasional short delays for drivers.

Upgrade works on the Pacific Highway are part of the co-generation project and should commence this month. The works extend for about 300 metres along the mill frontage to the highway. These include additional turning and acceleration lanes and a modified entrance to the mill site.

The construction work is expected to continue until late 2007. The plant should be fully operational by mid-2008.

NSW Sugar Milling Co-operative and Delta Electricity are very grateful to local residents and neighbours for their understanding and patience during the construction of the plant.

FUTURE

Co-generation plant testing is expected to commence at the end of this year.

In the coming weeks, contractors Downer Energy Systems and Clyde Babcock Hitachi will connect piping, electrical and instrumentation services to the plant. This will signal the start of the pre-commissioning of various plant items.

Some of the early testing activities will include blowing out steam mains into silencers to reduce the noise however steam will be visible when it is released during these tests.

Safety valves on the boiler and steam main will also need to be tested in the next few weeks. This is done by raising steam pressure to cause the safety valves to lift which will also mean visible steam emissions.

RENEWABLE ENERGY IN NSW

The Federal Government's mandatory renewable energy target (MRET) places an obligation on retailers and large users of electricity to proportionally source increasing volumes of renewable energy.

The target is 9,500 GWh (gigawatt hour) by 2010, then continuing at that level until 2021. At this stage there are no plans in the Federal Renewable Energy Act for extension beyond 2021.

Renewable Energy Certificates (RECs) are created under the Federal scheme by accredited renewable energy generators using eligible fuels. RECs can be surrendered by liable parties to satisfy an obligation in the previous calendar year, or stored for use in later years, thus a trading market for RECs has emerged.

Public comment on draft legislation is currently being considered by the NSW government to introduce a new and additional renewable energy certification scheme (Renewable Energy Bill 2007), from 1 January 2008 and until 1 January 2031.

The proposed scheme will introduce NSW Renewable Energy Targets (NRET) in a similar manner to the Federal scheme and will allow eligible renewable energy projects, such as Broadwater, to continue the generation of RECs beyond 2021.

ABOUT THE SUNSHINE ELECTRICITY JOINT VENTURE PARTNERS

The New South Wales Sugar Milling Co-operative is owned by about 600 grower members from across the north coast. The Co-operative operates three mills and a refinery and employs more than 400 local staff. NSW Sugar's products are sold into the wholesale and retail markets under the Sunshine Sugar brand.

Delta Electricity is a State-owned electricity generator which operates in two regions, the Central Coast and Western. Delta produces around 12% of the electricity needed by consumers in South Australia, Queensland, New South Wales, Victoria and the ACT. It is recognised nationally as supplying electricity safely, efficiently and at a competitive price, and its environment management procedures are in line with environmental best practice.

FURTHER DETAILS CONTACT:

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