

MANILA BULLETIN

RP to emerge as a major supplier of wood pellets, chips in SE Asia

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The Philippines can emerge as a major supplier of wood pellets and chips for biomass-run power plants and many groundbreaking renewable energy forms such as pyrolysis oil with its vast coconut land inter-cropped with other energy crops.

Wood pellets, a more nature-friendly substitute to coal as power plant fuel, are now highly-in demand in countries that promote the use of nature friendly, renewable energy such as those in Europe. Renewable energy authorities are optimistic the Philippines stands to gain tremendously from this trend.

“As the global demand for wood pellets escalates due to coal power plants being required co-fire with pellets in order to lower emissions, the Philippines is ideally positioned both geographically, climatically and structurally, to penetrate this marketplace,” according to Clenergen Corp.

Mark Quinn, Clenergen chief executive officer, said Clenergen is looking at three market places in the Philippines “its demonstration farm on energy crops with Laguna Bay Fuels Corp. (LBFC); its small scale bio-mass energy supply to National Power Corp. (NPC) from a bamboo plantation in Romblon; and a 10-megawatt (MW) biomass energy supply to a nickel mining firm in Mindanao.”

Clenergen looks forward to the Philippines being a significant source of these emerging sources of renewable energy wood pellets and wood chips – which is cost-effective.

“The cost of wood chips is 50 percent of the cost of running a (biomass-run) power plant. Our cost is under \$10 per ton, so we can produce electricity equal to the cost of coal. We’re intercropping coconut with bamboos in the Philippines to produce pellets and chips,” said Quinn in an interview.

Quinn said that the country’s potentially significant supply of bamboo for wood chips and wood pellets will also be part of Clenergen’s challenge to develop pyrolysis oil as a hydrocarbon fuel.

Clenergen has entered in a technical agreement with Envergent Technologies, a subsidiary in Canada of innovative technology leader Honeywell, to produce pyrolysis oil.

Clenergen and Honeywell are developing pyrolysis oil into a hydrocarbon fuel which will make it technically viable for use as additive to jet fuel, gasoline, and diesel, all at the same time. Such hydrocarbon fuel will use biomass wood chips as raw material.

A price study indicates that biofuels from biomass will have the cheapest fuel cost at \$19 per barrel. This is far cheaper than other sources including Brazilian sugarcane ethanol, more than \$40 per barrel; US corn ethanol and traditional coal, more than \$60 per barrel; onshore wind, more than \$80 per barrel; and European biodiesel from feedstock, around \$80 per barrel.

Other fuel sources are even more expensive nuclear energy, offshore wind, and coal with carbon capture storage, more than \$140 per barrel.

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