

Gasprom to use Malaysian biomass for energy generation

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The Russian energy giant has signed a Memorandum of Understanding with a major Malaysian company to purchase torrefied palm residues to generate electricity. Meanwhile, Spain's Nova Energía Group has revealed Gazprom has also installed a number of biomass boilers at a 24-MW district heating plant in Severoonezhsk, a Russian town with 60,000 inhabitants which experiences temperatures of minus 40°C in winter.

Gazprom Marketing and Trading Limited (GM&T) and SPPH ECO Biomass Resources Sdn. Bhd. (SPPH-ECO) have announced the signing of a Memorandum of Understanding to develop a long-term agreement for the sale and purchase of torrefied palm residues on a commercial scale.

Under the agreement, GM&T will purchase torrefied palm residues produced by SPPH-ECO at its plant. According to SPPH-ECO, the plant will deliver 150,000 metric tonnes per annum in 2013, rising to 500,000 metric tons per annum in 2015.

"The collaboration between SPPH-ECO and Gazprom Marketing and Trading is another milestone in the development of green energy projects in Malaysia. It is a step towards us becoming a regional leader in this industry. We believe that a growing awareness in environmental issues will lead to a greater emphasis on green energy policy within this region. In turn providing more opportunity for the industry to expand its activities as demand rises" said HRH Tg Puteri Seri Teja Pahang, Tg Hj Muhaini bt Sultan Hj Ahmad Shah, Chairman of SPPH-ECO.

SPPH-ECO and GM&T are also exploring the opportunity to create a biomass hub for the development of learning about clean energy.

"GM&T is proud to be an environmentally responsible company, and as part of our Clean Energy strategy we are excited to partner major developments such as this. The Government of Malaysia is very supportive of this project and the initiatives that will develop from it, this governmental support is seen as a vital component of the project's success", said Adrian Boodt, Head of Biomass at Gazprom.

Cogeneration in coal-fired plants an objective

According to GM&T, special attention is being paid to small scale rural electrification "so that more remote areas may enjoy power supply, and develop their own ownership of the fuel supply chain, through growing, harvesting and processing the biomass feedstock in an environmentally, sustainable way to provide rural employment and preserve the natural environment". However, torrefied biomass is generally used through cogeneration in coal-fired plants to reduce carbon emissions and to supply heat through district heating.

This latest agreement is just one of the biomass projects the Russian multinational is developing. Recently, Spain's Nova Energía Group issued a press release referring to one of Gazprom's district heating facilities in Severoonezhsk in the Arkhangelsk Region, consisting of four 6-MW biomass ovens. "The four Global boilers use wood waste with a moisture content of 50% or higher, which in many cases are completely covered in snow," comments David Poveda, Director of the Nova Energía Group, which distributes these ovens in Spain.

The new plant boasting four biomass boilers replaces an existing one located 7 km from the town and fitted with two steam boilers and two hot water boilers. The new facility is sited closer to the town in an area surrounded by woodland, enabling it to use wood waste from local sawmills which, David Poveda explains, avoids the need to build expensive and dirty alternatives such as an oil pipeline or supplying oil fuel using trucks that tend to damage the permafrost in this region.

"Biomass was chosen as a more economical and efficient solution to the existing one," says Poveda, adding that "costs are cut as the biomass is obtained at zero cost". The project also helps to reduce the piles of waste wood building up at landfill sites and creates new jobs, concludes the Nova Energía executive. The fuel used at the Severoonezhsk plant comprises a mix of wood with moisture contents of between 30% and 50% consisting of chips (2.7%), bark (5.5%), saw dust (52%) and other sawmill waste (39.8%)