

# The MEC BIOREFINERY



EBTP - 6th Stakeholder Plenary Meeting of the European Biofuels Technology Platform Niels Henriksen, DONG Energy/Inbicon



- Concept/history/ownership structure
- Societal impact
- Sourcing and Logistics
- The ethanol plant/new technology/timeline
- Remaining issues to be solved

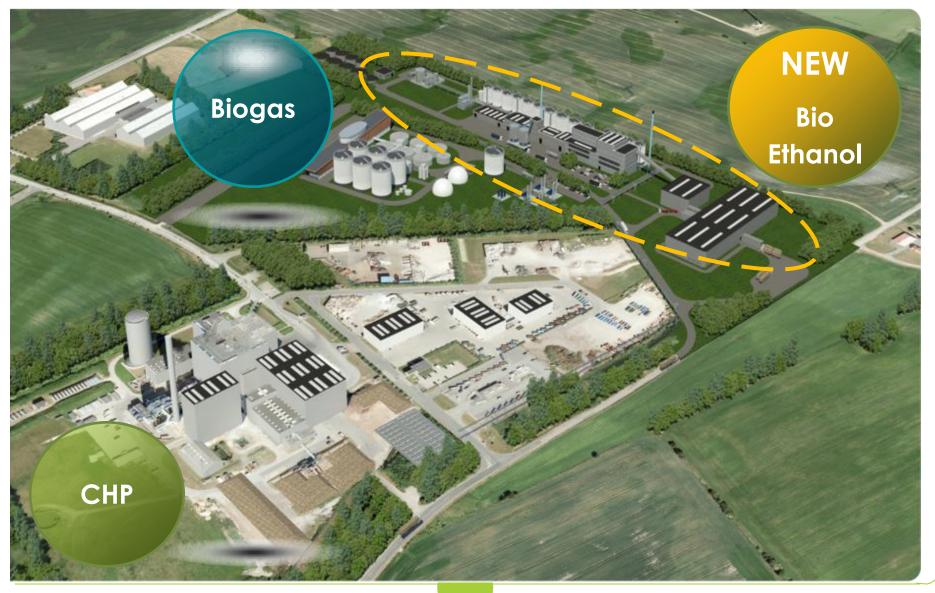


# THE CONCEPT



## The Biorefinery – an ambitious Flagship project based on local residues and highly integrated



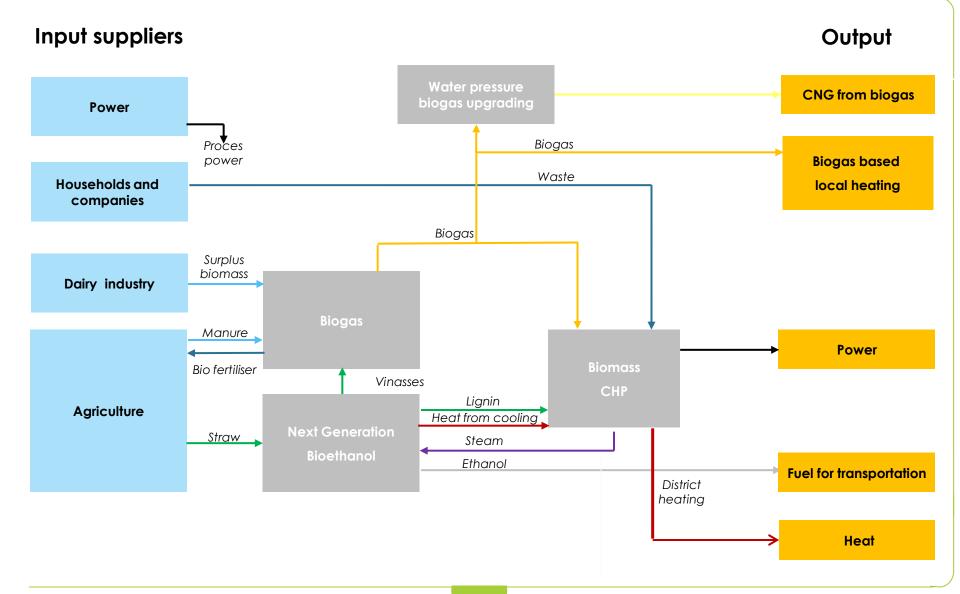




| Year  |   |
|-------|---|
| 1992  | Start up of Biomass/gas fired CHP                                   |
| 2012  | Start up of Biogas plant  |
| 2017  | Expected start up of 2G bioethanol plant and biogas upgrading plant |
| After | Expected to add chemical production and waste handling facilities   |

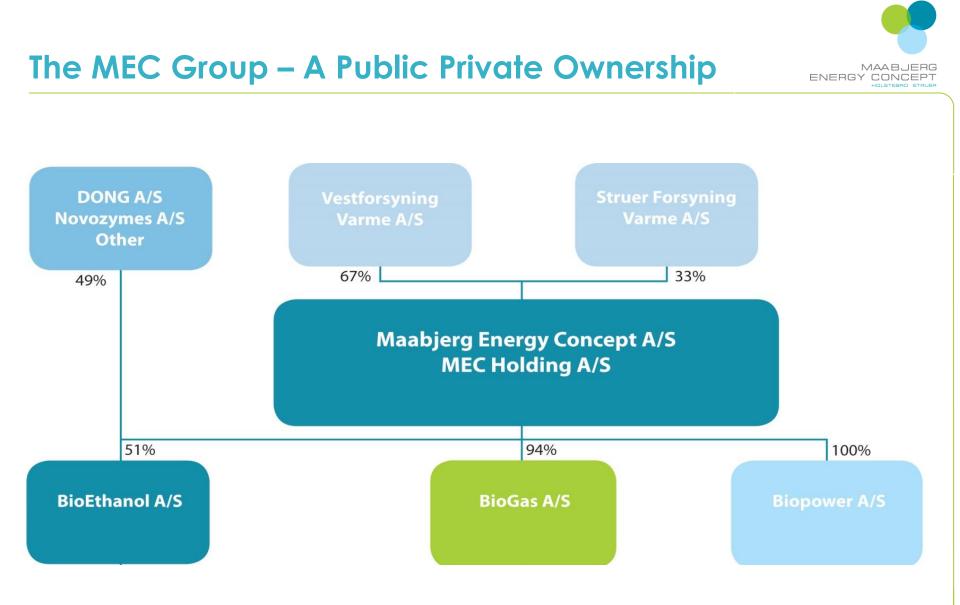
Main streams







- Investments in new plant and renovation of existing plants amounts to 294 MEUR
- Yearly turnover of the bio refinery of 147 MEUR
- Combination of good operation margins and "soft" finance offers attractive IRR

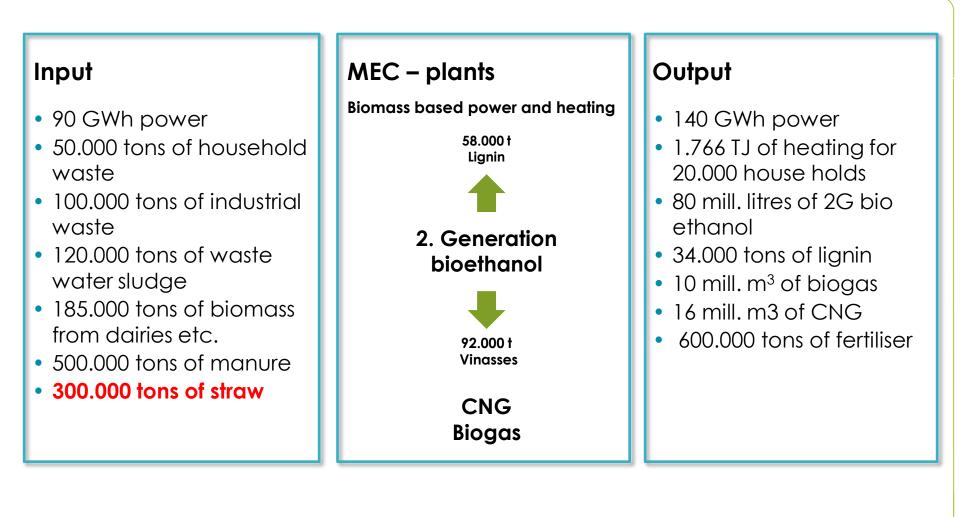




# **SOURCING AND LOGISTICS**

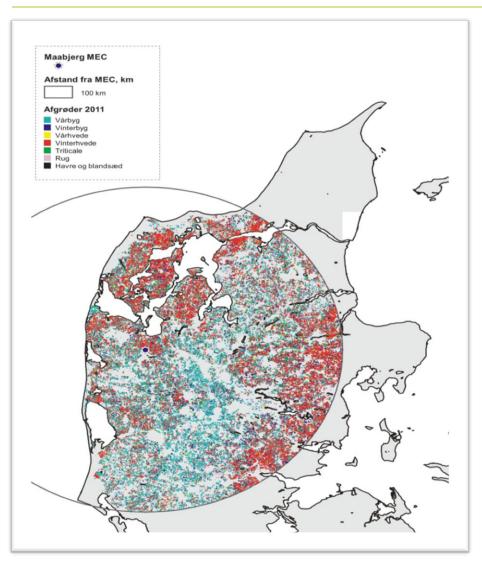








### The MEC Sourcing Model of straw (300.000 t/year)



- Unused straw amounts to 1,2 million tonnes in Jutland
- Denmark has 20 years of experience of large scale handling of straw supply for peak load in CHPs

MAAR

ENERGY

- Establishment of a 10-year con-tract model for the straw supply based on tenders
- The contracts will be signed with one or several private companies that specialize in supplying straw in large quantities to the existing market for power plants



# **2G ETHANOL**



### C6+C5 mixed fermentation - projects based on Inbicon Version 2

#### MAABJERG ENERGY CONCEPT HOLSTEBRO STRUER

### The MEC project - DENMARK

- Capacity: 37.5 t/h wheat straw (DM 86%)
- Technology: Steam pretreatment and mixed sugar fermentation
- Integration: Existing Biogas and Combined Heat and Power plant
- Output: 2G ethanol, lignin and vinasses (high DM) for biogas production

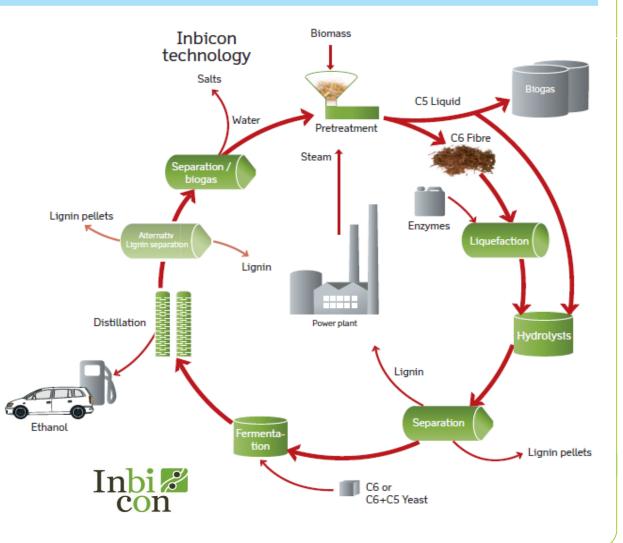




## Inbicon Version 2 - C6+C5 mixed fermentation - proven in demo scale



- Biomass
- Water
- Enzymes
- Advanced yeast (GMO)
- Bioethanol
- Solid Biofuel
- Vinasses
- Improving ethanol yield with 40% in comparison to Inbicon version 1
- Typical yield of 280-300 I etoh per ton of biomass dry matter



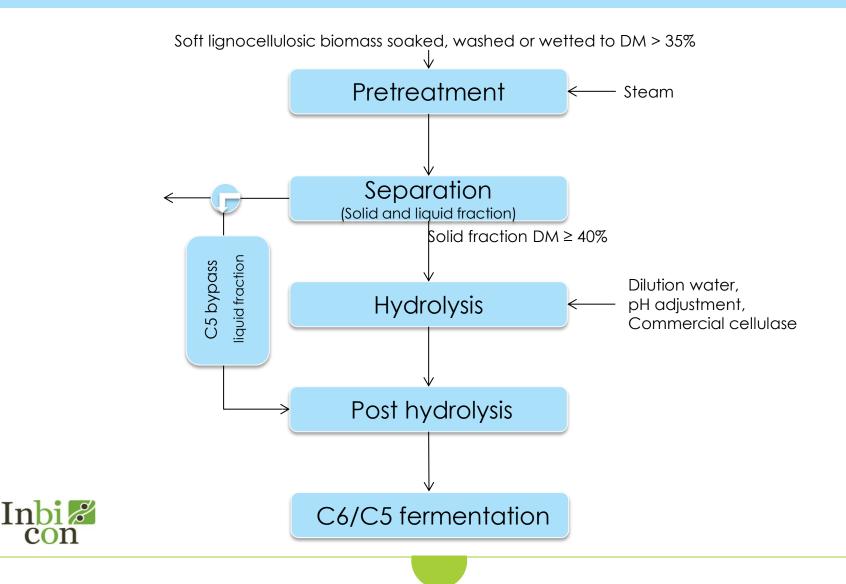


### C6+C5 mixed fermentation – proven in demo scale 2013



### **Inbicon Concepts**

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### Time table



September 2017:

Operation September 2015: Final Investment Decision

September 2014: Decision on realisation

April 2012 - July 2014: Verification & Design

August 2011 - April 2012: Feasibility Study



# REMAINING ISSUES TO BE SOLVED







- Detailed engineering and tenders
- Financing
- Permission to ownership structure (new Public Private Partnership concept)
- Longterm off-take agreements on ethanol or blending mandate that can absorb the production



# **SOCIETAL IMPACT**



## Lower CO<sub>2</sub> emissions and Green jobs



| CO <sub>2</sub> -reduction MEC |      |            | Calorific value | Energy    | CO <sub>2</sub> | CO <sub>2</sub><br>reduction |
|--------------------------------|------|------------|-----------------|-----------|-----------------|------------------------------|
| Source                         | Unit | Amount     | (GJ/unit)       | (GJ)      | (t/GJ)          | (t)                          |
| Bio-ethanol replaces petrol    | m³   | 78 720     | 21,20           | 1 668 864 | 0,0728          | 121 493                      |
| Biogas replaces natural gas    | m³   | 18 779 000 | 0,02            | 439 429   | 0,0567          | 24 916                       |
| Lignin replaces waste locally  | t    | 56 999     | 10,00           | 569 990   | 0,0325          | 18 525                       |
| Lignin replaces coal centrally | t    | 36 121     | 29,30           | 1 058 345 | 0,0936          | 9 061                        |
| Total                          |      |            |                 |           |                 | 263 995                      |

| Socio Economic effects                           | Investment | Operation |
|--|------------|-----------|
| Primary activity (million DKK)                   | 2 200      | 1 100     |
| GDP influence (million DKK)                      | 1 850      | 1 000     |
| Total employment (number of full time jobs)      | 1 250      | 1 000     |
| Public budget balance (million DKK)              | 1 550      | 680       |
| Effects on net balance of payments (million DKK) | -1 350     | 680       |



### **Questions and comments**

