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Media statement

SpiritWest and Forest Products Commission: turning plantation waste into renewable energy

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The Forest Products Commission (FPC) has signed a \$20 million contract to supply plantation residues to SpiritWest Bioenergy Pty Ltd over a 20 year period.

FPC General Manager Dr Paul Biggs said obtaining a significant buyer for this material was an important step towards increased profitability for the entire plantation forest industry. "This new contract offers a local and environmentally sustainable solution for the use of plantation pine residues, which are presently a low value resource."

"This is an excellent example of the FPC partnering with industry to produce a win/win for the environment and the economy."

"As a result of significant joint development work between the FPC and SpiritWest, over 5 million tonnes of plantation residue will be converted into renewable energy over the 20 year period."

"The FPC is continually working with industry to minimise waste and find maximum value uses for our timbers. This new contract will help make handling of plantation residue more efficient and also return direct value to the State of Western Australia," Dr Biggs said.

Pacific Energy Limited (as project manager for SpiritWest Bioenergy Pty Ltd) has been advancing all necessary arrangements to construct the 30MW renewable energy power station for approximately 18 months.

Pacific Energy CEO Mr Adam Boyd said "the support of the FPC during the project development period has been a critical foundation requirement to ensure that this important addition to Western Australia's energy infrastructure proceeds. SpiritWest expects to make a capital investment of \$115 million to construct and commission the renewable energy power station."

“The signing of the plantation residue contract is a tangible example of the Western Australian Government’s commitment to the climate change challenge, renewable energy and waste management.”

“During the construction phase, which is projected to last approximately two years, this renewable energy project will directly employ up to 110 people. During its operating life of 20 years it is estimated a further 50 direct new jobs will be created.”

“Direct labour costs associated with the project are expected to increase household income in the northern corridor of Perth by \$4 million per annum.”

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