

Energy Pellets Moerdijk EPM

Hylko Brandsma

**Developments in the global woodpellets
market: business opportunities and
challenges**



Labee Group Moerdijk

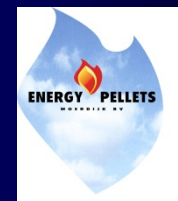
- Energy Pellets Moerdijk B.V. (EPM)
- Woodflame Moerdijk B.V. (WFM)
- Woodchips Moerdijk B.V. (WCM)
- Houtvezel Moerdijk B.V. (HVM)
- Bio-Catlitter Moerdijk B.V. (BCM)
- Energy Pellets Trading B.V. (EPT)





Introduction: EPM/EPT

- Start production: 1989
- Start production in Austria 1991: closed
- Start production in Germany 2001: shares sold
- Current production capacity NL: 100.000 ton
- Start trading additional volumes of woodpellets: 2011
- EPT founded: 01/2017



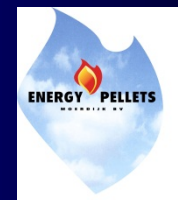


Global Pellet Market 2016

26 mio ton Woodpellets

13 mio ton Residential Market

13 mio ton Industrial Market

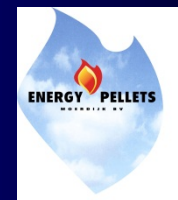


Global Pellet Market 2019

35 mio ton Woodpellets

15 mio ton Residential Market

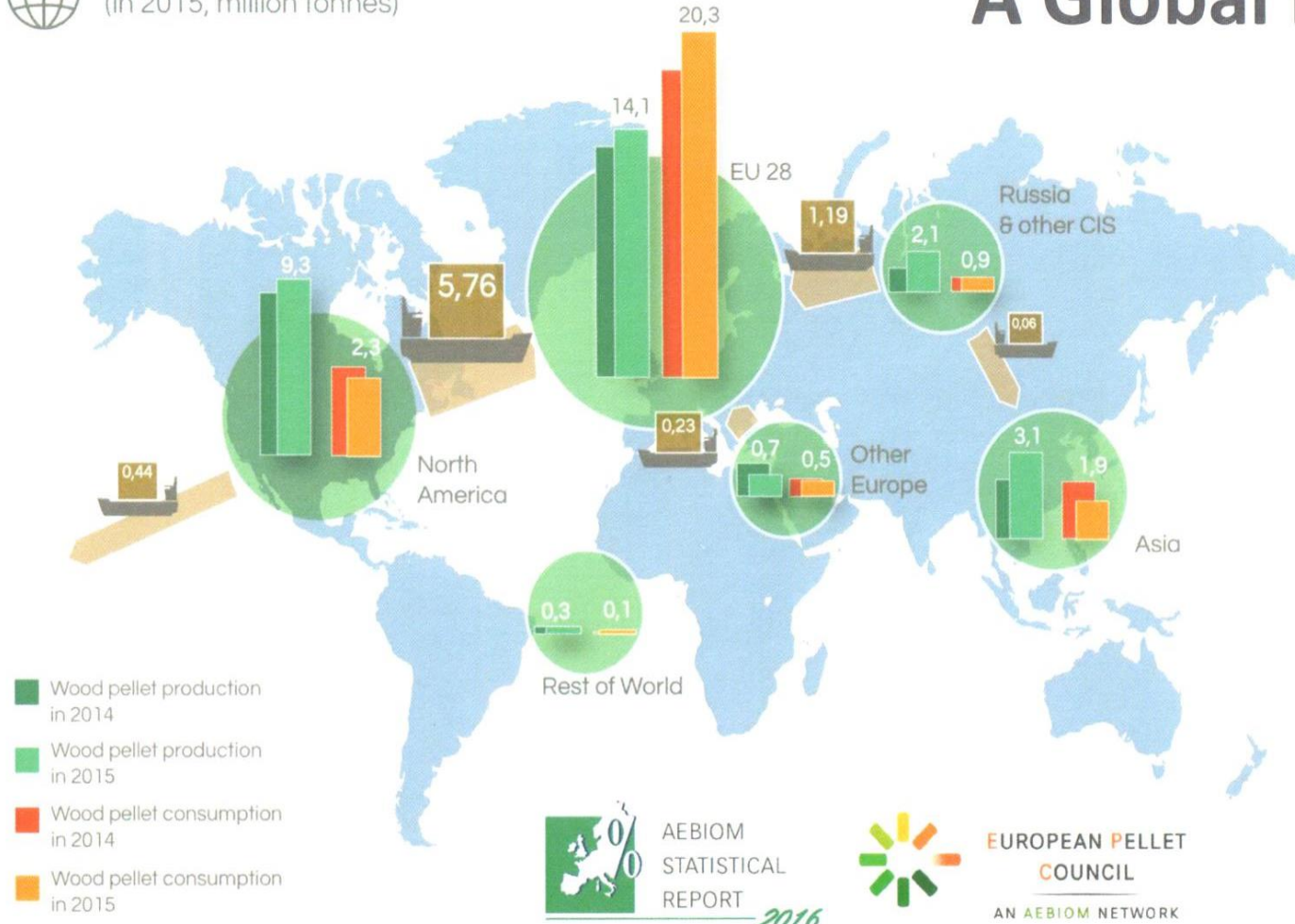
20 mio ton Industrial Market





World pellet map and trade flows
(in 2015, million tonnes)

A Global Market



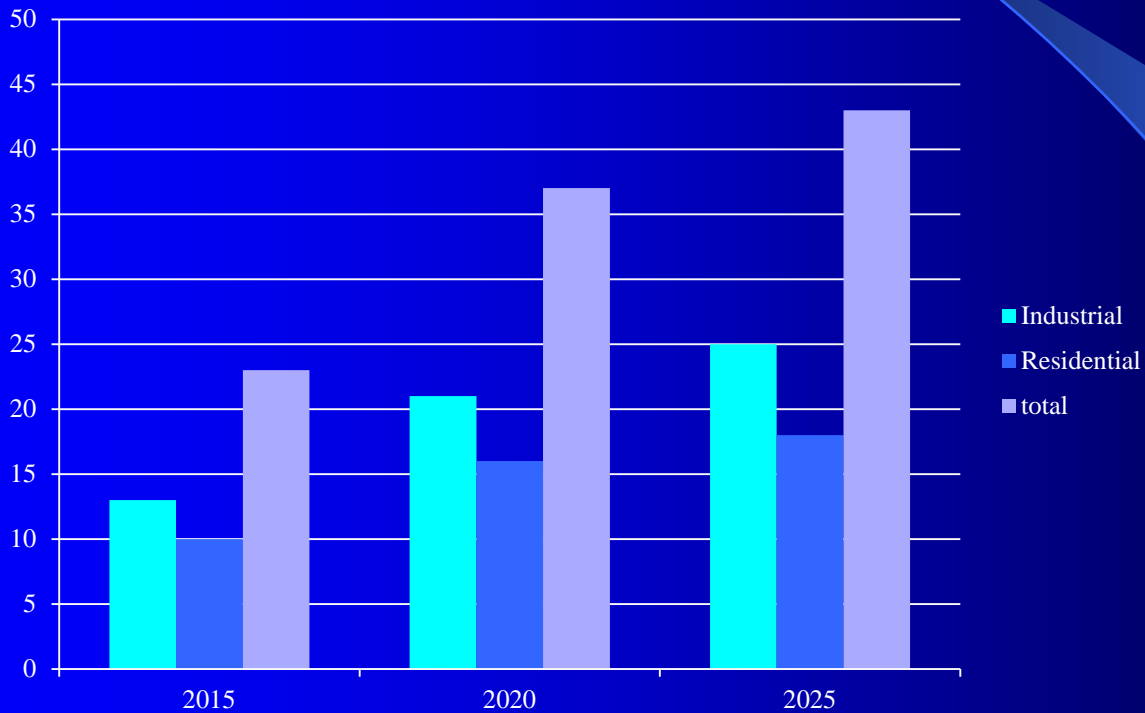
- Wood pellet production in 2014
- Wood pellet production in 2015
- Wood pellet consumption in 2014
- Wood pellet consumption in 2015



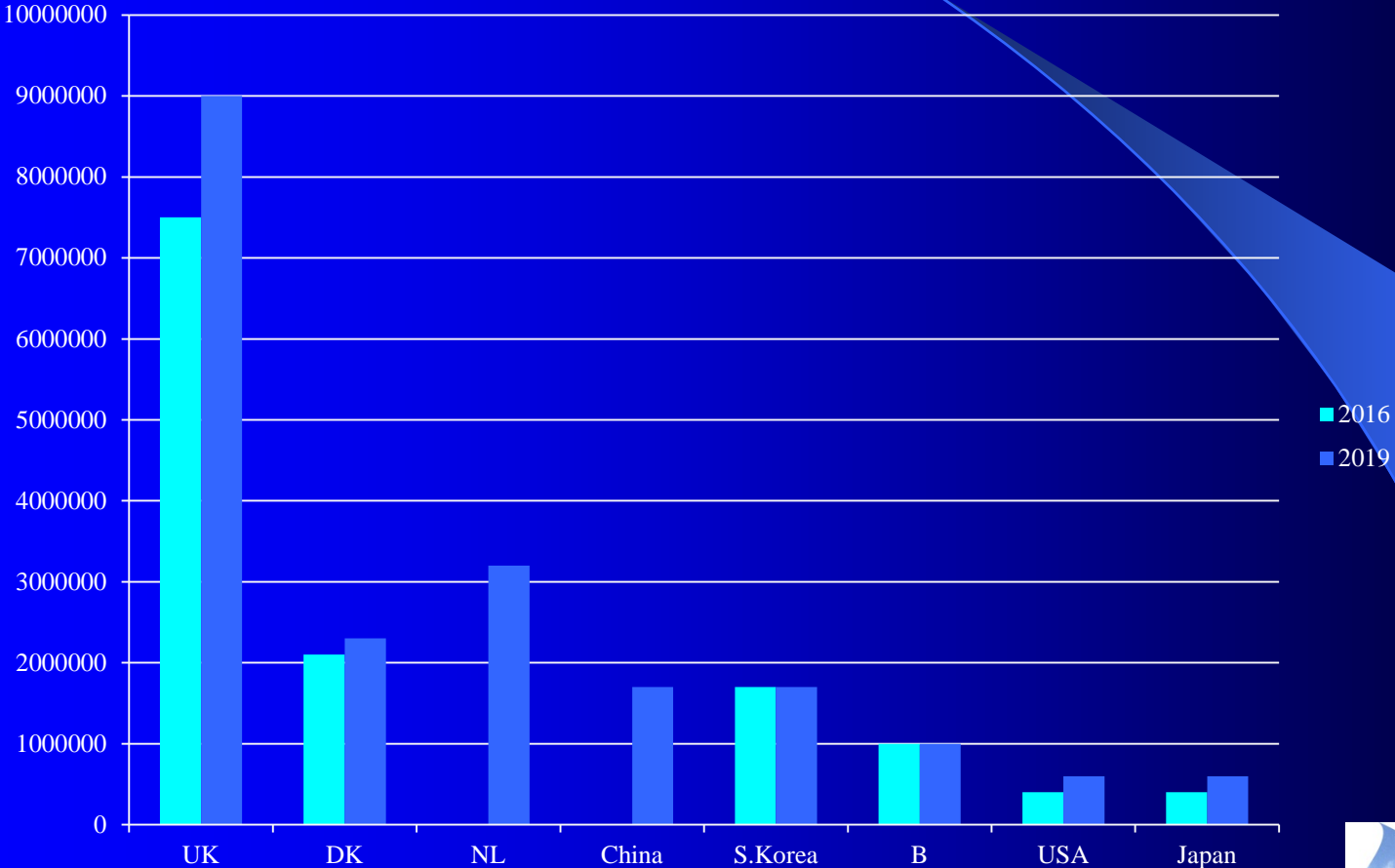
Source: EPC Survey, Eurostat, Hawkins Wright, FAO

Global Future market

mio



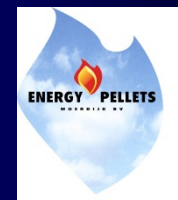
Industrial Market 2016/2019



Industrial Pellet Market 2016

Biggest players/consumers in Europe:

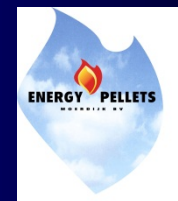
- UK import DRAX
- DK import Dong / Vattenfall
- B import ENGIE



Industrial Pellet Market 2019

Biggest players/consumers in Europe:

- UK import DRAX
- DK import Dong / Vattenfall
- NL import RWE/UNIPER/ENGIE/ENECO
- B import ENGIE

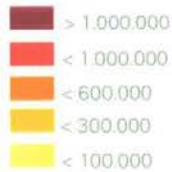


European wood pellet consumption for heating (in 2015, tonnes, %)

EU-28 consumption
12,9
million tonnes in 2015

EU-28 pellet consumption for heating increased by **4,2%** between 2014 and 2015.

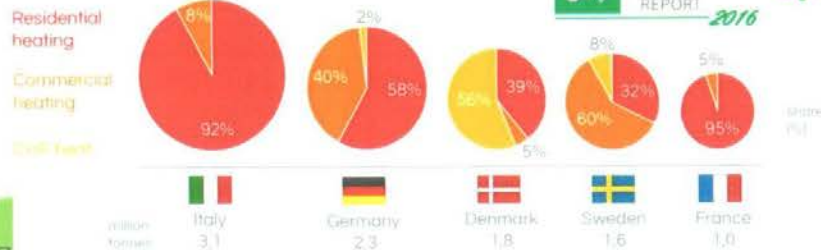
Actual consumption
(in tonnes)



Source: EPC Survey



Consumption in top 5 EU-28 countries in 2015



AEBIOM
STATISTICAL
REPORT
2016

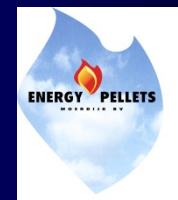
EUROPEAN PELLET
COUNCIL
AN AEBIOM NETWORK

- Pellet used in **heat market is now significantly larger** than industrial use
- **5 countries** consume **90%** of pellets for heating
- Main market driver was **economic advantage** compared to oil

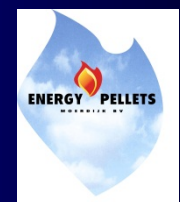
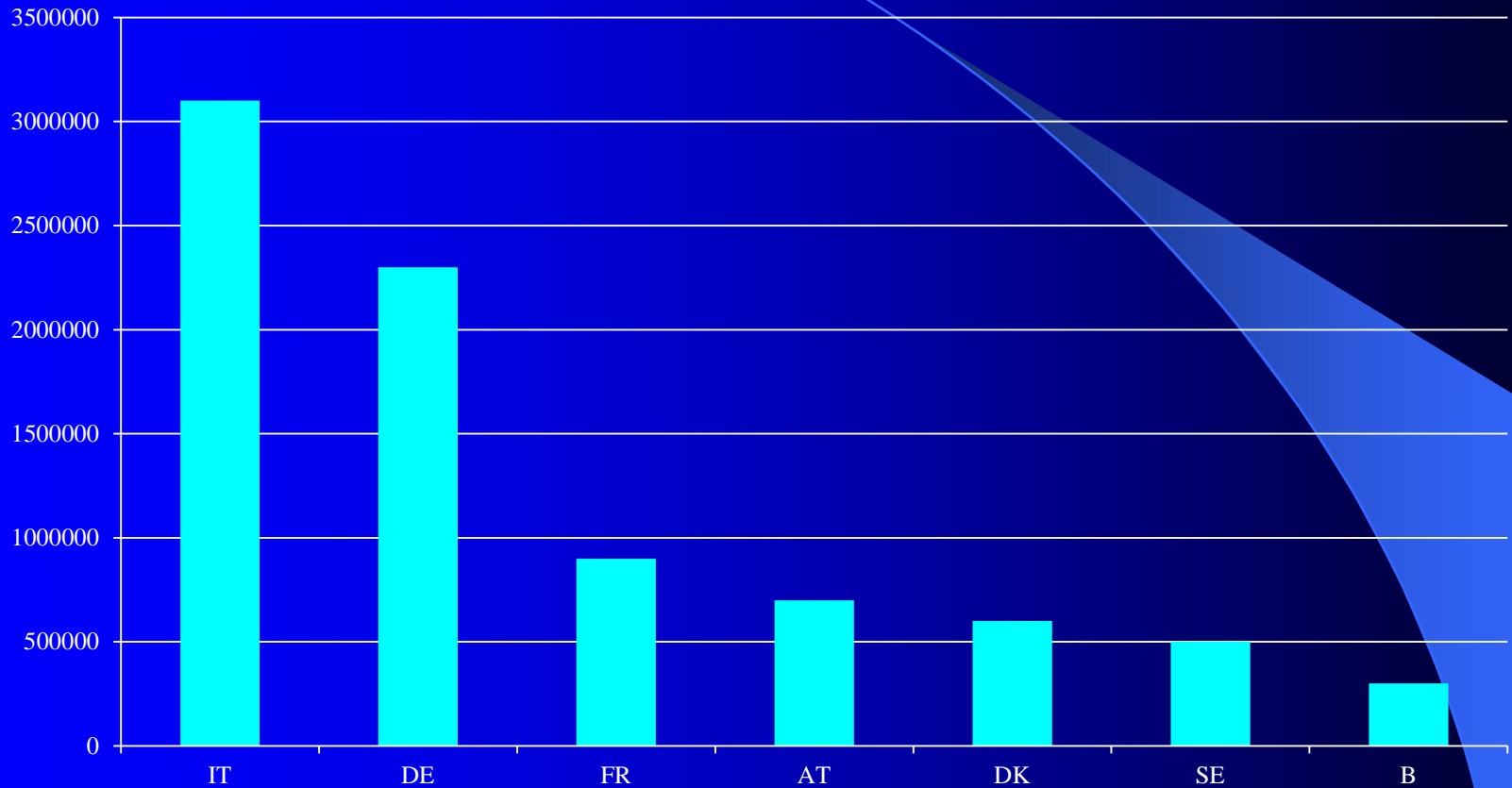
Residential pellet market 2016:

Biggest players/consumers:

- Italy import (2015 from: 1. Austria, 2. Canada, 3. USA, 4. Lithuania, 5. Germany)
- Germany import/export
- France import
- Austria import/export
- Denmark import/export
- Sweden import/export
- Belgium import/export
- -
- Netherlands
- UK



Residential Market 2016



Opportunities for new business:

- Climate agreement Paris 2015
- Energy transition: no fossil fuels from 2050
- Support to renewable energy
(focus on heat)



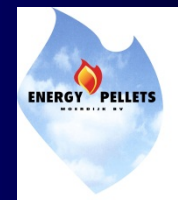
Impact Dutch Energy Agreement

- Co-firing woodpellets, SDE+ :
RWE / UNIPER / ENGIE
- Expectation start co-firing: RWE end 2017,
UNIPER/ENGIE: 2019
- MAX 25 Pjoule = MAX 3 – 3,5 mio ton
woodpellets/Biomass
- Other projects on Biomass: steamproduction



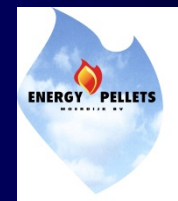
Sustainability

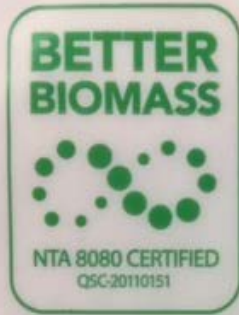
- Verification protocol
- Better Biomass/NTA8080
- SBP
- FSC
- PEFC



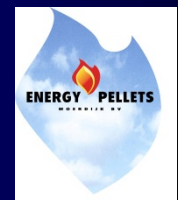
EPM (Energy Pellets Moerdijk)

- Production 100.000 ton capacity
 - 30 % Industrial market EU
 - 70 % Residential market EU
- Certification for sustainability:
Better Biomass/NTA8080
- Verification protocol
- Certification for quality:
DINplus and ENPlus A1 (as trader)





Energy Pellets Trading B.V.





EPM

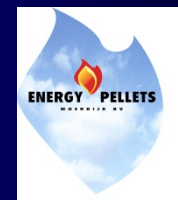
Situated: Port of Moerdijk, sea-port

Draft: 8,5 m.

MARAG-area

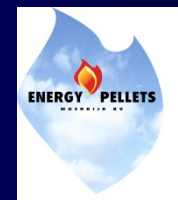
“Logistic facilities are the key for success”

road – rail - water



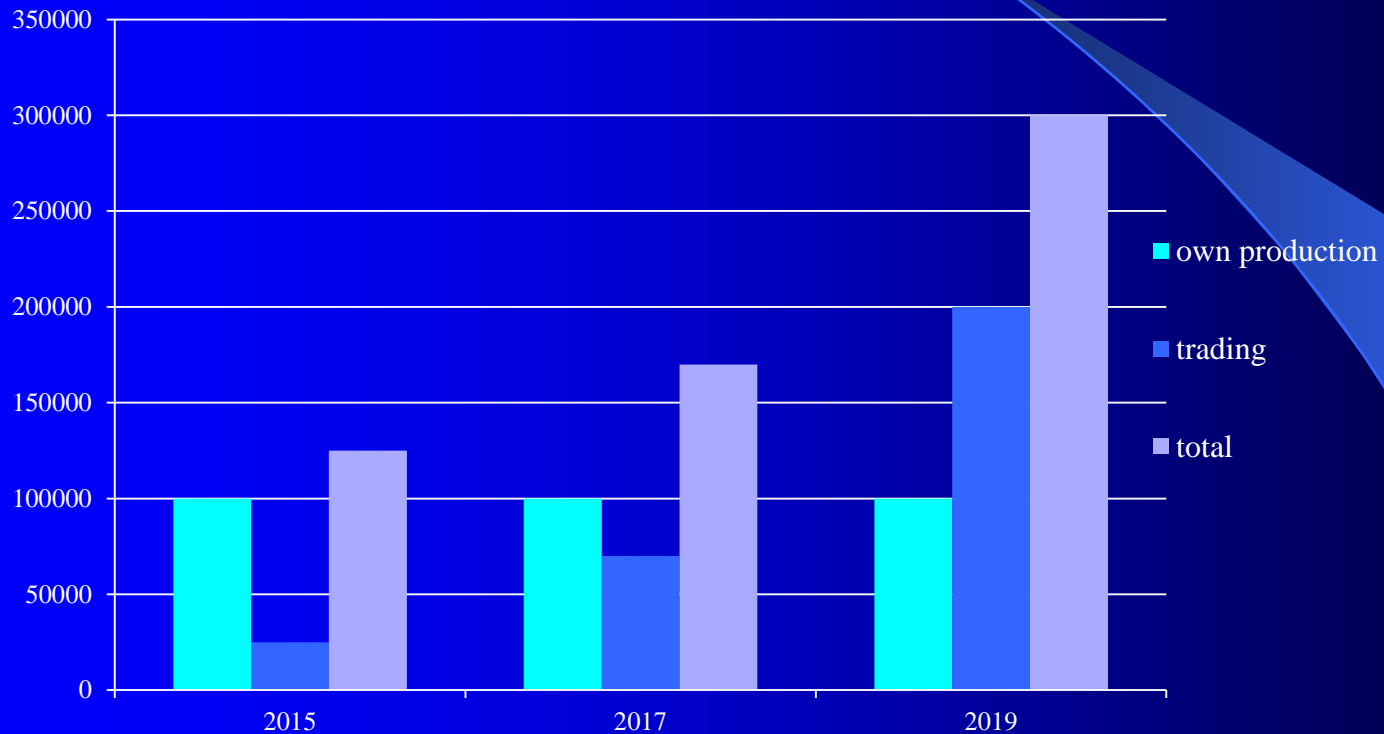
EPM/EPT

- Professional handling of woodpellets:
 - Stevedore (partner) 3 locations Moerdijk
 - Storage of woodpellets (cap. 50k ton bulk)
 - Sieving of woodpellets
 - Bagging (lines) facilities (200k ton)
 - Delivering of woodpellets from door to door in EU





EPM/EPT

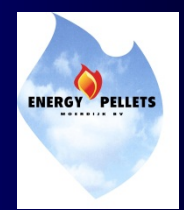


ton



“Sustainable woodpellets
have to move
with added value”





Thank you for your attention.

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