

Geraldine NZ

A Suppliers Perspective

- ☐ The concept of Canterbury Woodchip Supplies began in 2011 when an opportunity was identified for young dairy stock, particularly calf-bedding in Mid and South Canterbury.
- As the business began to grow, it became apparent that there was also potential to expand into the bio-fuel market, using the same raw pine chip, which is both abundant and renewable.



☐ In order to produce the anticipated high volumes, it was clear that a large and reliable wood-chipper would be needed and I eventually imported a 'Morbark' whole-tree chipper from America in the same year. Since then, we have produced in excess of 45,000/m3 of calf bedding, with an annual growth of approximately 18% since commencement.



□ Logs are delivered directly from local forest blocks, on a regular basis and we do not process any debris or branch-wood. This ensures we minimise "fines" and sawdust from our sample, to deliver a consistent fuel.





In early 2012 I was approached by the Timaru District Council and asked to submit an expression of interest to supply fuel for the new Caroline Bay Pool Complex. Timaru has been struggling with air quality for many years, especially through the winter months and this was a great opportunity for ourselves and the local Council to be proactive in the endeavour to help reduce emissions. This was also the ideal launching pad for the new face of our business.



☐ After securing the contract with C-Bay, we built a batch drying shed at our Geraldine based yard and were officially in the bio-fuel business, processing an average of 150/m3 per week.



Once logs have been through the Primary chipper, they are passed through our screening plant to separate 'fines' from the target woodchip particles. Any oversize chips are further processed via the electric re-chipper.





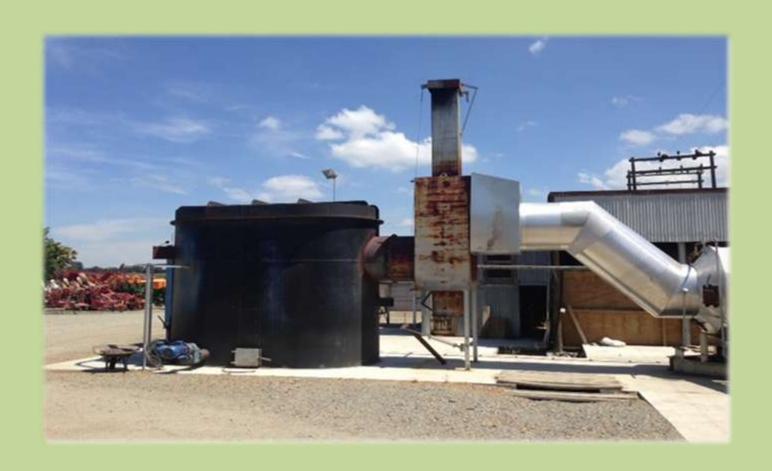
- All undersized material is separated out and directed to a retrieval site to be used for various other uses such as animal bedding and our own boiler fuel.
- ☐ Concrete floored storage sheds make certain there is no contamination from foreign objects such as rock or any non-wood materials.



- ☐ Later in 2012, an opportunity arose to expand and improve our drying operation considerably as a result of purchasing a wood-fuelled rotary dryer. This became available due to the closure of "Natures Flame" Christchurch pellet operation.
- ☐ By using our own screened fines as fuel, drying cost are reduced significantly.

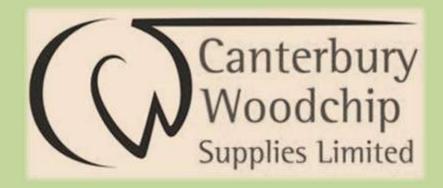


- ☐ With the use of a rotary dryer, we are able to customise a fuel that meets with heat-plant optimum performance and efficiencies are maintained.
- ☐ As the seasonal conditions change, moisture levels can be varied to suit the customer needs.



□ During the course of 2012, our operation grew yet again to include a significant hospital in Christchurch, which had recognised the advantages of converting their existing operation to a woodchip fired boiler.





Fuel for the future

Becoming involved with BANZ was an obvious path for our business, for
various reasons.
Canterbury Woodchip Supplies Ltd is dedicated to providing a quality product,
which with the help of other Suppliers, will help to grow confidence in the NZ
market place.
Since the inception of our own bio-fuel production, the belief in a 'Standard' of
some kind was always going to be key to the future for everyone involved.
An 'Accreditation Scheme' such as that proposed by BANZ, will mean that by
using an 'Approved Supplier' the customer knows that specific and rigorous
criteria have already been met.
This is the same expectation we have when making any purchase as a consumer.
In order for this concept to work however, there must be a unanimous buy-in
from existing and potential Suppliers, so that we can all agree to provide only the
highest quality products.
By allowing sub-standard fuel to enter the market, we as an industry will struggle
to be recognised as competent and proficient.

Canterbury Woodchip Supplies Ltd is constantly searching for new
opportunities to grow in the greater Canterbury region.
As mentioned earlier, we are working closely with the Timaru District Council
and various other organisations who recognise the many long term benefits
that will come with the development of the biofuel industry.
It is clear that coal will continue to be a fierce competitor against an
alternative energy option, however it will only be the continued perseverance
and confidence of those already involved in bioenergy, that will enable further
growth to become a reality.
Education for those people who are considering making this transition to an
alternative energy, must be freely available and clearly define the features and
benefits of such a change.
For the supply and demand of alternate energies to be successful, we must first
assure clients that there is a consistent, reliable and sustainable source of fuel
available throughout NZ.
The implementation of an 'Accreditation Scheme' from BANZ will mean that
these objectives will be made possible.

- ☐ The key to making a smooth and affordable transition from conventional fuel to wood-energy is simple. Seek advice from recognised boiler manufacturers, meet with fuel suppliers and ask to see their product and research customers already using an alternative energy to get their story.
- □ Canterbury Woodchip Supplies Ltd offer a free consultation and advice service regarding all matters relating to woodchip boilers and their operation, so please feel free to ask.

I am happy to answer any questions you may have, and will be available through the day if you would like to speak with me in person.

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