



## Media Release

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### **Canola oil processing to be powered with bioenergy**

The Australian Renewable Energy Agency (ARENA) today announced funding to transform an Australian oilseed crushing, refining and packaging company to switch to bioenergy.

On behalf of the Australian Government, ARENA is providing \$2 million in funding to MSM Milling Pty Ltd to help switch its LPG gas fired boilers to a biomass fuelled boiler.

The project, totalling \$5.38 million, involves installing a 4.88MW biomass-fired boiler at the facility based in Manildra in regional NSW which will be fuelled by locally sourced renewable wood chips, such as forestry thinnings, offcuts and sawmill by products, to generate steam necessary for the canola processing operation.

The project is one of Australia's first demonstrations of a large-scale food manufacturing company seeking to reduce energy costs and environmental impact by using biomass for thermal energy.

MSM Milling's change to bioenergy not only replaces the use of gas in the oilseed business, but involves using sustainably sourced wood chips in a move that increases economic return to the forestry industry.

ARENA CEO Ivor Frischknecht said the funding helps to grow the currently underdeveloped biomass industry in Australia.

"Bioenergy currently makes up only around 0.9 per cent of Australia's energy mix, however the use of wood chips to displace gas is becoming attractive as consumers are increasingly demanding better environmental performance across product supply chains.

"We hope MSM Milling's innovation will lead to more industries turning to biomass in a move which could increase renewable energy generation in NSW and Australia and create alternative value streams for wood materials currently considered as waste," he said.

"By integrating renewable energy options into MSM Milling's production process, the company is showing its commitment to sustainability and renewable energy, and will also receive lower and more predictable energy costs. This project will go a long way to encouraging other companies to incorporate bioenergy into their energy makeup," he said.

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MSM Milling Director Bob Mac Smith said the ARENA funding, combined with a significant company investment in the project, not only cements MSM Milling's future as a regionally-based global food industry leader, it also helps to secure the jobs of 70 employees and allows the company to pioneer the way for other Australian manufacturers to adopt renewable energy technology.

"MSM Milling has spent a number of years researching to identify the optimal thermal energy solution for the plant to further secure our future and allow us to continue to provide sought-after trusted oil and value added oilseed products to local and international markets. The project will significantly reduce greenhouses emissions, fossil fuel energy use and depletion, while increasing renewable energy generation in NSW – all in line with our company's commitment to operate with the lowest carbon footprint, the highest energy and water efficiency and the least overall environmental impact," he said

"We've partnered with experienced technology providers Justsen, Uniquip Engineering and carbon energy expert Ndevr Environmental for this project and will document and share the process of technology adoption to encourage further uptake within the Australian manufacturing sector," Mr Mac Smith said.

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