

20 SEPTEMBER 2019

ARENA helping reduce emissions in manufacturing industry through renewable energy in process heating

On behalf of the Australian Government, the Australian Renewable Energy Agency (ARENA) has today announced \$460,500 in funding to the Australian Alliance for Energy Productivity (A2EP) to investigate opportunities for using renewables in process heating in manufacturing.

Process heating accounts for the largest share of onsite energy use in Australian manufacturing. Low temperature processes offer the greatest opportunity for displacing fossil fueled heat with renewably powered alternatives.

The \$900,500 project has undertaken ten pre-feasibility studies at sites across Tasmania, South Australia, Victoria and New South Wales, and five of these sites are to be chosen to progress to a full feasibility study. Three businesses which are so far confirmed for full feasibility are:

- McCain in Ballarat, Victoria - Food processing
- Simplot in Devonport, Tasmania - Food processing
- Lion in Adelaide, South Australia - Brewing

The sites will test commercially available technologies not widely used in Australia that have significant potential to optimise the application of process heat in manufacturing, while increasing the uptake of renewable energy.

Applications considered include electrification with a focus on heat pumps powered by renewable electricity and direct renewable heating options including biomass / biogas and associated storage.

A full feasibility study and business case for all five sites will be complete by the end of 2019. If proven to be feasible, the projects will be eligible to apply for further ARENA grant funding to implement the renewable alternatives for energy generation.

ARENA CEO Darren Miller said helping industry reduce emissions was the next challenge for renewable energy uptake in Australia.

"A2EP's project aligns with what ARENA is aiming to achieve through its new investment priority in helping industry to reduce emissions by supplying case studies which can be replicated more widely," he said.

"There is significant potential to increase the application of renewable energy for process heating in manufacturing. By switching to renewable energy technologies, industries such as food and beverage processing can significantly reduce their reliance on traditional forms of energy and save money on their operating costs, thereby encouraging more companies to adopt this approach," Mr Miller said.

A2EP CEO Jonathan Jutsen said: "Australia lags behind other economies in deployment of process heat technologies that are innovative but proven. There is great potential to be smarter about process heat. We waste a great deal of energy and we don't take advantage of cost-effective renewables. There are literally thousands of businesses that could benefit from these ideas."

"With the support of ARENA, this feasibility work will identify opportunities for manufacturing businesses across Australia to transition to cost-effective renewable energy solutions tailored to their businesses that will reduce their emissions and energy costs," he said.