

GDF signs biomass energy agreement

Energy firm GDF Suez has signed a power purchase agreement (PPA) with the operators of a waste wood to energy biomass plant in the north east of England.

Under the agreement, GDF Suez Energy UK, sister company to waste management firm SITA UK (which is currently rebranding as Suez), will buy all of the electricity produced at the waste wood biomass plant currently under construction by Templeborough Biomass Power Plant Ltd, which is wholly owned and funded by Copenhagen Infrastructure.

Expected to be commissioned in March 2017, the Rotherham plant will burn waste wood to generate around 315GWh of electricity each year. The plant will process around 270,000 tonnes of waste wood per year.

The deal is one of two 15-year biomass PPAs announced by GDF Suez today (April 23), with the company having also secured a similar arrangement with the Snetterton biomass plant in Norfolk, operated by BWSC East Anglia Ltd, which will primarily be burning straw.

GDF Suez will buy the output from both plants at an index-linked rate, providing a market-reflective price for every kWh of electricity generated. To provide an assured return on investment, the PPAs also include a floor price, guaranteeing a minimum rate for the output from both plants.

Energy

The energy provider has an existing PPA in place with AmeyCespa, signed in February 2015, for the power from the Allerton Waste Recovery Park in North Yorkshire, which is also currently in development ([see letsrecycle.com story](#)).

Paul Roberts, head of local portfolio management at GDF Suez Energy UK, says: “These new agreements are the first PPAs we have secured for biomass plants, having previously focused on wind power and energy-from-waste technologies. It demonstrates the flexibility of our PPAs, which present an attractive and secure proposition for any type of renewable energy plant.”

Rúni Bro Róin, senior partner at CI, says: “We’re pleased to have found the basis for cooperation with a strong and reputable partner like GDF Suez, which will be the sole purchaser of energy from both Snetterton and Templeborough.”

GDF Suez Energy UK will also purchase all ROC and LEC certificates received by the two plants, which will help the energy supplier to meet its own sustainable sourcing commitments under the government’s Renewables Obligation.