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19 May 2022

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Re: Official Information Act request – Southern Paprika Decarbonisation project

Your email correspondence with the Ministry of Business, Innovation and Employment has been forwarded on for a transfer of request to the Energy Efficiency and Conservation Authority (EECA). EECA is responsible for administering the Government Investment in Decarbonising Industry (GIDI) fund, which co-invested in the Southern Paprika project you are interested.

You have requested information on:

What the Southern Paprika project involves, what is being used to fuel the burner, where it comes from and how many truckloads of woodchips it requires?

Summary of the project:

Southern Paprika has received co-funding as part of the third round of the GIDI fund, to help install a CO₂ recovered biomass boiler. EECA has provided close to \$5 million in co-funding, which will contribute to a total investment of \$14 million required for the project.

The investment will enable Southern Paprika to switch to renewable energy for its glasshouse heating, and to then use the CO₂ captured from that renewable wood energy for food production. It will involve installing a 10MW wood fired hot water boiler, which will heat over 50% of their glasshouses. This boiler will also produce 'green CO₂', providing a clean source of nutrients for the growing plants.

The new CO₂ recovered biomass boiler will reduce the need to operate the existing natural gas fired boilers, and in turn, reduce the CO₂ emissions that are currently produced by fossil fuel combustion. First, the boiler converts wood biomass to heat hot water stored in tanks, which is recirculated through a system of pipes to maintain the correct temperature for plant growth. Next, the CO₂ produced via combustion is stripped, purified, and stored in 'lungs' to be used to feed the growing plants. This 'Carbon Capture & Utilisation' (CCU) system is crucial for the health of the plants, as any impurities can potentially kill the crops.

This project will reduce the organisations emissions by 70%, replacing 70% of the process heat requirement with a renewable energy source.

More information on this project is available on EECA's website here:

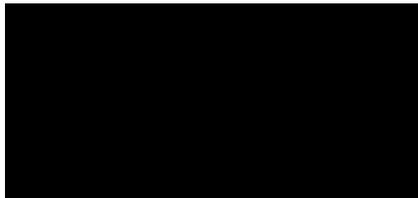
<https://www.eeca.govt.nz/insights/case-studies-and-articles/the-greenest-capsicums-in-town/>

Fuel for the biomass boiler:

EECA understands from Southern Paprika's application to the fund, they intend to use 'wood biomass' to fuel the boiler, with two potential suppliers listed. However, EECA does not hold information on where the fuel will come from when the project becomes operational, scheduled for 20 December 2023, or how many trucks will be transporting them.

You have the right, by way of complaint to the Ombudsman, to seek an investigation and review of the Energy Efficiency and Conservation Authority's response to your information request. You can do this by email to info@ombudsman.parliament.nz or by writing to the Office of the Ombudsman, PO Box 10152, Wellington 6143.

Yours sincerely



Andrew Caseley
Chief Executive