

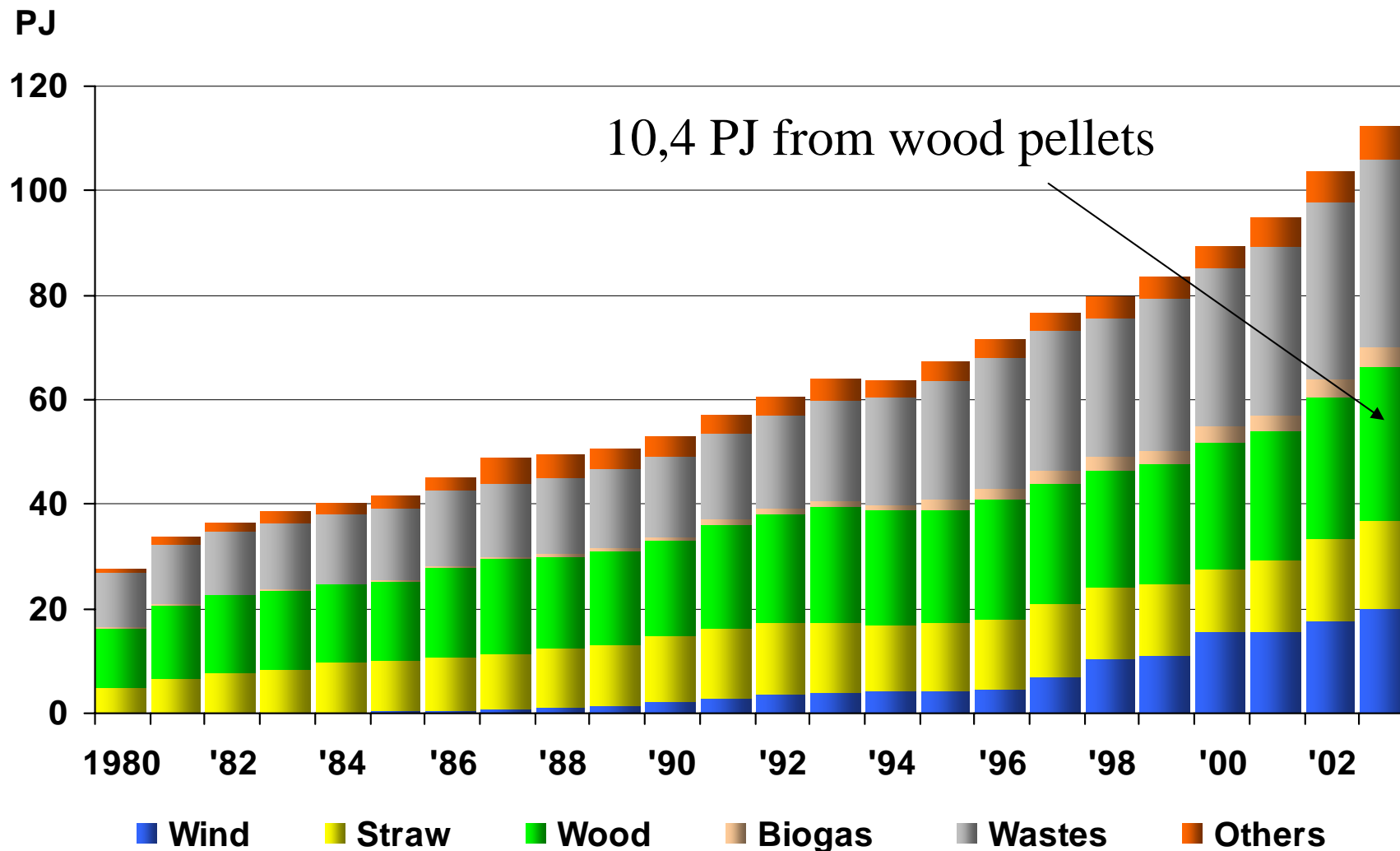
Trends on the Danish Pellet Market

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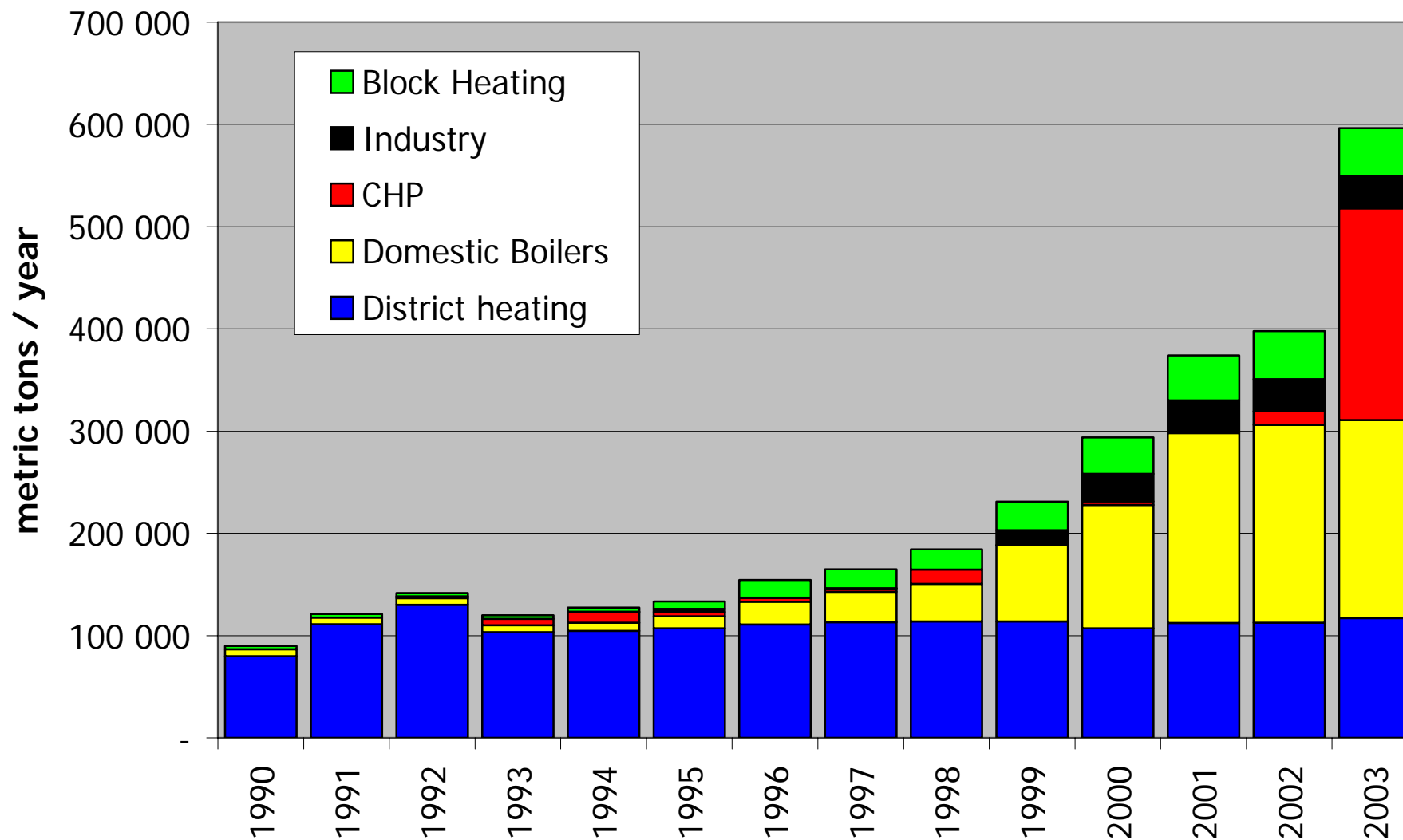
Presented by

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Renewable Energy in Denmark



Danish pellet consumption 1990-2003 (2004)





25-30.000 domestic pellet boilers and stoves

- Investment support and high oil prices made installation of domestic pellet boilers to boom in 1999-2001
- Stopped investment support and increased pellet prices slowed down the expansion of the market in 2002

~ 300 pellet block heating plants

- Gas and district heat are preferred within grids
- Main market is retrofitting of old oil burners

~30 pellet fired district heating plants

- Easy to convert coal fired plants in 1990
- No new plants based only on pellets
- High pellet prices make plants convert to multifuel burners using cheaper biomass fuels



Combined heat and power production on pellets



Avedøre II CHP plant

- 300.000 tons wood pellets/year
- Dust fired
- Coal mills



Amager CHP plant

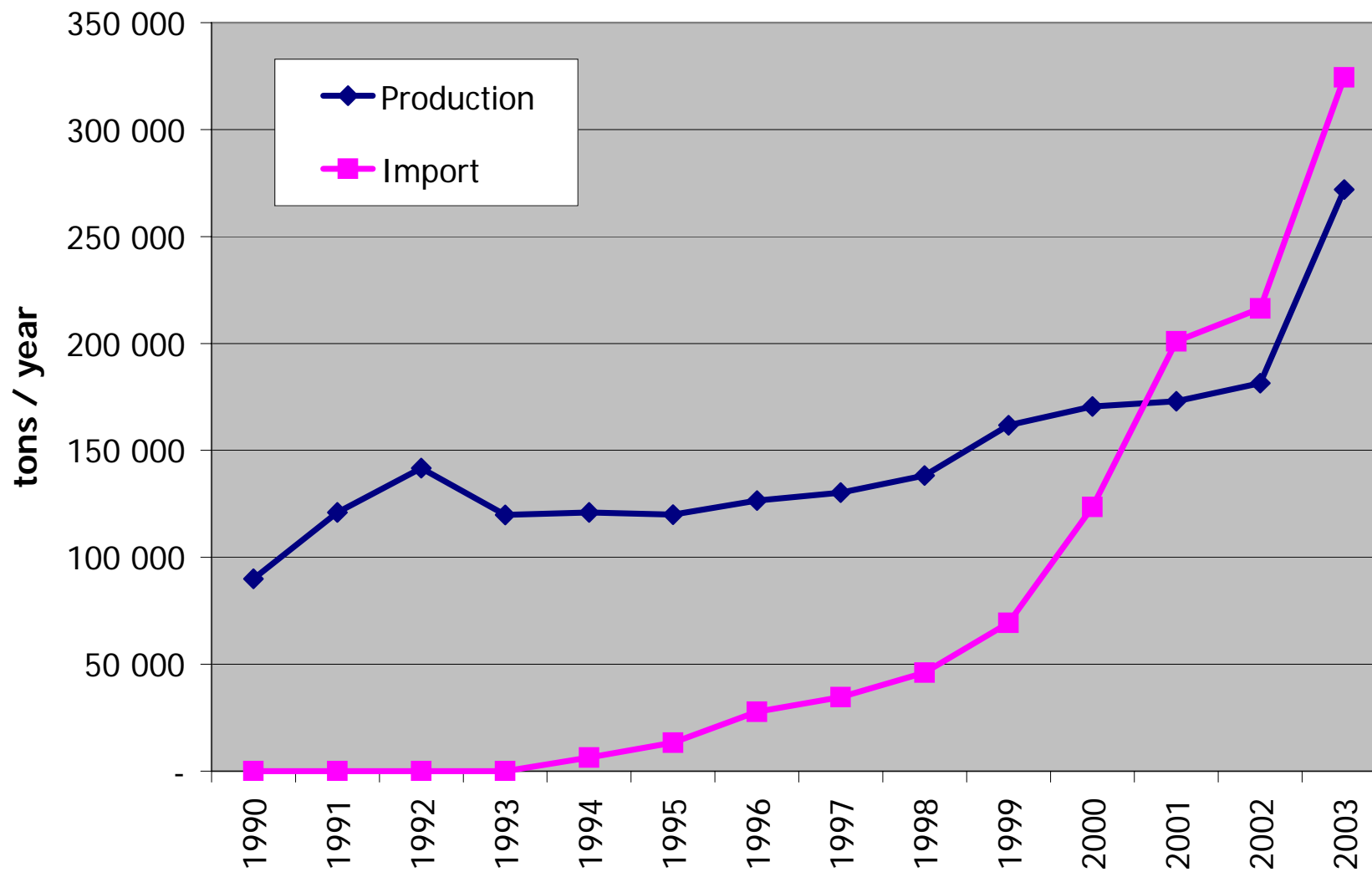
- 150.000 tons straw pellets/year

New pellet production at Køge

- Capacity 180.000 tons/year
- Transport by ship



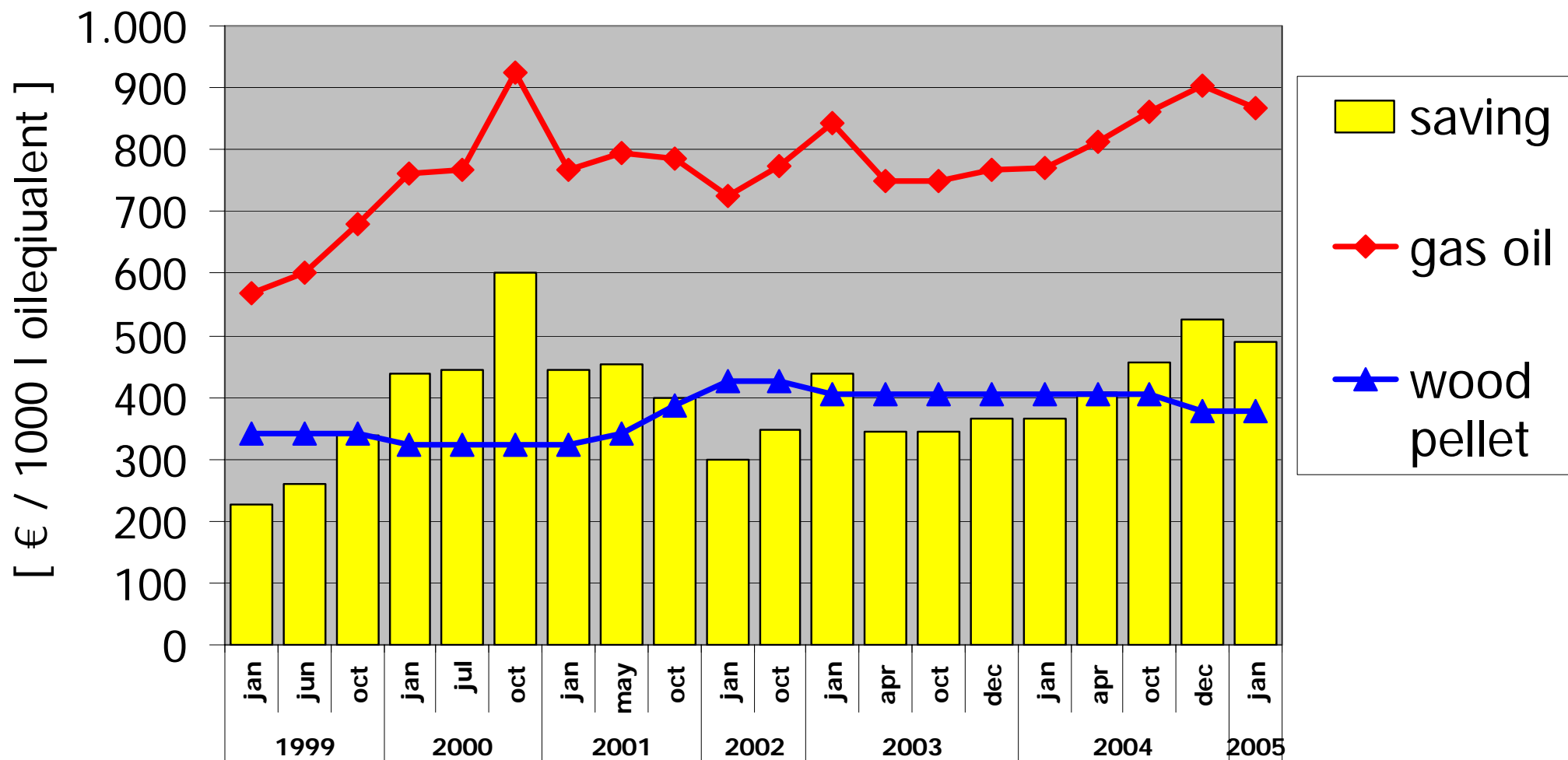
Danish pellet supply 1990 - 2003



Savings for small consumers



Savings by changing from oil to pellets



Basis: [1000 l gas oil = 2.2 tons wood pellets]

Source: Statoil Denmark, www.statoil.dk

Denmark is the second largest wood pellet market in EU

The market is foreseen to grow to around 700.000 tons/year

Small consumers has been booming to 2002 – future sensitive to price of oil
District heating is reduced since 2002 – other biomass fuels more economic
CHP is to be 300.000 tons/year – due to political agreement

Furthermore 150.000 tons of straw pellets is used in power plants!

Import of pellets has passed Danish production of pellets

Import foreseen to increase – Danish production to be stable

Thank you for your attention!

For further questions or information please contact :

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