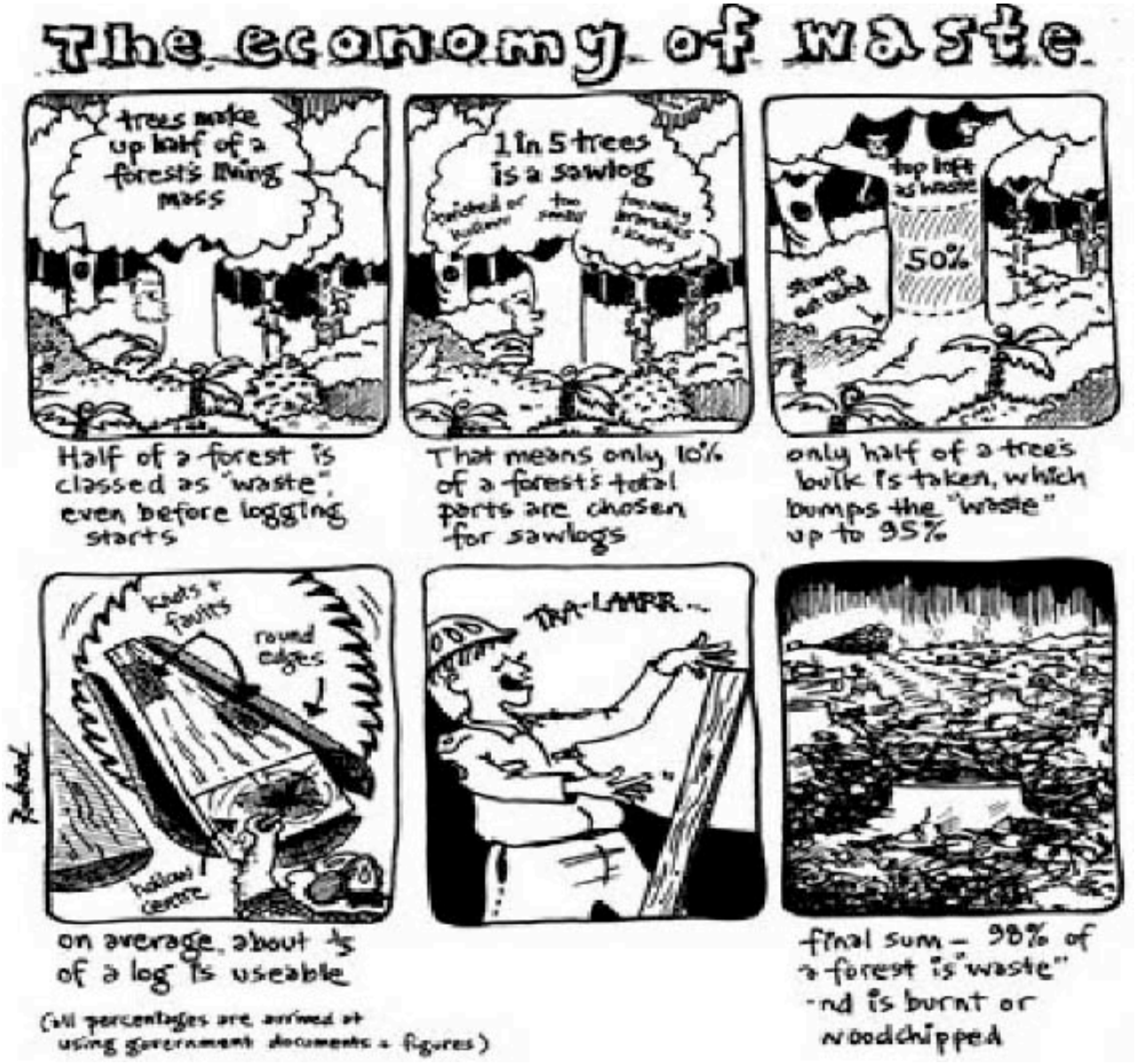
VARIETY DEFINITIONS OF WASTE WOOD CLOUDS THE ISSUE OF ELECTRICITY PRODUCTION FOR NATIVE FOREST BIOMASS.



Waste Wood or Wood?

Forests NSW
"On the hardwood side of the business, ...as with softwoods, there is no wastage. Every bit of the hardwood log sent to the mill is used."
Source: The Bush Telegraph: February - April 2003: Where does State Forests' wood go?
A living tree in growing forest can be classified as waste.
Source: Yield Simulator, Southern Region, SFNSW, May 2001, page 9

Consultants to the logging industry, MBAC Consulting Pty Ltd
"Wood waste projects are also inherently more difficult to get to fruition because unlike wind or solar water heaters, wood waste projects must secure a large volume of fuel for the project."

"Due to public concerns, retailers either will not purchase native forest wood waste RECs or are willing to pay a significantly lower price for those RECs. The criteria in the regulations were designed to address these public concerns but unfortunately, they have clearly not done so."

"Wood waste projects, in some cases, may be relatively more expensive to operate then other sources of renewable energy, such as wind, landfill and solar water heaters."
Source: Wood and the Renewable Energy Industry Part 1 Global and Australian initiatives and impediments to the production of renewable energy from wood in Australia. May 2003

National Association of Forest Industries
The term "wood waste" refers to low grade timber material with no other identifiable market or environmental value. This includes material left that is left in the forest after the higher value timber resources have been harvested. It also includes sawdust, shavings, off-cuts and other wastes associated with timber processing."
Source: NAFI brochure "Forest industries and climate change." 2007

Mandatory Renewable Energy Target
"the [current] MRET allows native forest biomass as an eligible fuel subject to this biomass being a harvest residue pr processing waste, with further conditions around the harvesting operation. By contrast, native forest harvesting residue is excluded under Victorian and NSW schemes."

Note: both options under consideration by COAG for the Expanded Renewable Energy Target contain the same definition of waste, but would exclude the NSW and Victoria bans on native forest residue "harvesting."
Source: The COAG Working Group on Climate Change and Water. Design Options for the Expanded National Renewable Energy Target Scheme.2008. p.7

NSW Minister for Primary Industries, Ian McDonald
"....the Government has taken steps since 1995 to ensure that woodchips are obtained only from sawmill wastes and timber that will not be suitable for use by sawmills for solid wood products, along with the products of thinning and other operations to enhance the production of high-quality sawlogs. "
Source: Legislative Council Hansard, 8 Nov 2005

Mogo Charcoal Plant EIS
"The waste lie was illustrated in the environmental impact statement [EIS] when the State Forests assessment of the source of the extra 200,000 tonnes of forest recategorised whole forests as waste. State Forests said that standing trees are available for charcoal.

"Ironbark, woollybutt, bloodwood, grey box and maybe some spotted gum will be used. The least preferred is blackbutt, silvertop ash, stringybark and monkey gum. Angophora costata and the peppermint varieties will not be touched. The really old-growth trees are preferred because they produce much better charcoal. State

Forests has a puzzling tree category titled "standing waste", which is applied to trees that are not well shaped. Most standing waste would be considered to be perfectly good trees yet this standing waste will be used in the charcoal plant." Source: Hon. Richard Jones, Legislative Council Hansard 8 May 2002. Speech on the proposed Mogo Charcoal Plant