

Newsflash

25 June 2009 in Business Mirror

Global Biomass signs supply contracts in RP

RENEWABLE-energy firm Global Biomass Plc. Corp. (GBC) said on Thursday it has signed three 25-year biomass supply contracts.

In a statement, GBC said the 25-year contract will generate P9 billion in direct and indirect economic benefits to the host communities.

GBC said it signed supply contracts with Green Power Panay Philippines Inc., Green Power Nueva Ecija Philippines Inc. and Green Power Pangasinan Philippines Inc.

Each of the companies that have signed the contract with GBC is developing a 15-megawatt (MW) biomass power plant in their respective locations.

The supply contract will provide biomass that is derived from farm waste, such as corn and rice straw, sugar-cane waste and other agricultural residues.

GBC said these waste materials are being burned in the field or left to rot causing methane, a greenhouse gas that significantly contributes toward climate change.

The effects of climate change are widely held responsible for the increasing severity of global weather patterns that are adversely affecting the Philippine archipelago as evidenced by the devastation caused Typhoon Frank in 2008.

“The injection of cash into the local community over the 25-year life of each biomass supply contract can be as much as or even exceed P9 billion through biomass and ancillary services supply such as transport, storage and biomass fuel preparation,” Gordon Thomson, GBC chief financial officer, said.

He added that the injection of cash is what will exactly happen at the municipality of Mina in Iloilo, where Green Power Panay has based its 15-megawatt biomass power plant.

The biomass plant has 25-year electricity supply contracts with “A” rated electric cooperatives Ileco 1 and Ileco 2 in Iloilo.

Thomson said the local communities will benefit tremendously from this project and receive income from GBC’s purchase of biomass fuel while receiving clean, renewable, cost-efficient energy from the power plant’s operation.

“It is very encouraging that the Philippine government, and especially the Department of Energy and Department of Agriculture are reacting quickly and positively to support renewable-energy projects that address climate change while helping our farming communities,” Maribeth de Montaigne, GBC director for social programs and poverty alleviation, said.

Everyone must work together to deliver programs that bring renewable energy to the Philippines and, at the same, time delivering measurable, positive impact to poorer, developing communities, according to de Montaigne.

“Such projects have the potential to uplift lives while providing tangible, solid opportunities. Filipinos are hard-working, innovative and entrepreneurial. They just need to be presented the opportunity to use their skills and to be treated fairly,” de Montaigne added.