

REPORT TO: Greener Strategic Group

SUBJECT: Proposed Renewable Heat Audit – Biomass

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1. REASON FOR REPORT

To propose the conduct of an audit of TMC buildings, making recommendations and highlighting a shortlist of buildings most economically viable for adoption of Biomass as a renewable source of heating.

2. RECOMMENDATION

That the Greener Strategic Group support this project and adopt one of the options laid out below for implementation.

Option 1, TMC via the Greener strategic group apply to LEADER for funding and take the lead in implementing the project.

Option 2, Greener strategic group endorse the proposal and facilitate access to staff and information but the Moray LEADER LAG take on implementation of the project.

3. BACKGROUND

The proposed report will set out the case for using biomass, the local and national policy context and make recommendations for a way forward within Moray Council.

This will allow rational and informed discussion within TMC regarding the adoption of biomass technology and the associated financial investment.

It is important to define the scope of the study. The work will not look at insulation as this is effectively a separate issue from heat generation (and is arguably more important in buildings not converted to a renewable fuel). Similarly it is not proposed to look at options for district heating schemes as the added complexity and costs can often stall projects.

Overall this project is aimed at identifying low risk, financially attractive projects for further detailed consideration by TMC.

Deliverables:

To produce a detailed report and compact summary covering the areas detailed below. Contract to include 2 presentations to council of the report findings.

Suggested content:

1. Making the case for woodfuel
 - a. National government policy.
 - b. The Moray context – extensive woodland resource, SOA commitments, legal requirements etc.
 - c. Carbon reduction, rural economy, improved forest management.
 - d. Opportunities to reduce ongoing fuel costs.
2. Current state of industry
 - a. Robustness of technology.
 - b. Fuel supply volumes and infrastructure in the area.
 - c. Installers covering Moray
 - d. Grants / RHI
 - e. ESCO model
 - f. Examples of other council practice
3. Methodology – develop and set out a list of criteria for assessing TMC sites
 - a. Energy consumption.
 - b. Current fuel – targeting sites reliant on oil / coal.
 - c. Age and condition of existing boilers.
 - d. Load characteristics – base load as a percentage of peak load.
 - e. Physical space available.
 - f. Access.
4. Site analysis – ranking TMC sites against the identified criteria.
5. Hot list of sites
 - a. Those showing good overall scores across the assessment criteria and with no “show stopper” issues.
 - b. Suggest a cut off for the number of sites that warrant further attention (suggest between 3 and 10)
6. Make basic system design and indicative costing recommendations for the hotlist sites.
7. Collate figures for the combined hotlist sites
 - a. Total capital investment / RHI income / fuel cost and avoided fuel cost.
 - b. Total expected fuel requirement including grade.
 - c. Carbon saving (and cost of carbon saving)
 - d. Likely impact on local economy.
8. Explore delivery / Investment options
 - a. Grants
 - b. RHI
 - c. ESCO
 - d. Borrowing

4. **SUMMARY OF IMPLICATIONS**

Funding for the study:

The project has not been tendered but experience of similar projects suggests a cap on costs at £10,000 would be sufficient to fund a high quality, detailed piece of work from a consultant with recognised skills in this area.

Proposed split of: 50% LEADER, 25% FCS, 25% Moray Council (from money committed to funding LEADER projects)

In addition there would be a requirement for TMC staff time to facilitate access to information regarding the council property portfolio. Estimated at around 10 days in total.

5. CONCLUSION

This proposal would provide an objective assessment of the suitability of TMC buildings for installation of biomass heating systems. This would allow rational decisions to be made regarding future boiler replacement and carbon reduction proposals.

Author of Report: Matt Young
Background Papers: None
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