SRF in Europe

Workshop Combustion of Solid Recovered Fuel

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ERFO in short

- European Recovered Fuel Organisation
- A non profit association
- Purpose
  - Represent European companies which produce fuels prepared from non-hazardous waste
  - Promote the use of such recovered fuels within the framework of sustainable development
  - Help establish high quality standards for such fuels at European level
- Members from: BE, NL, DE, ES, FR, UK, UA, IT, FI, IE
ERFO’S INVOLVEMENT

- SRF standardisation work within CEN / TC 343

- Participation in R&D programs
  - Pre-normative research on sampling, sample preparation and determination of biomass content
  - QUOVADIS: validation of Technical Specifications, Quality Management system and perspectives in new EU countries

- Participation in debates, works and lobbying activities related to SRF

- Main contribution to the SRF chapter of the BREF Waste Treatment and preparing already a contribution for the BREF WT review
**SRF, Solid Recovered Fuel**

<table>
<thead>
<tr>
<th>Category of substitution fuel</th>
<th>Solid Bio-fuels</th>
<th>Solid Recovered Fuel (SRF)</th>
<th>Hazardous waste fuels</th>
<th>Specific fuels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste for this preparation</td>
<td>Non treated wood</td>
<td>I&amp;CW and MSW</td>
<td>Hazardous waste: solvents, waste oil, soiled packaging...</td>
<td>Animal meal, tyres, ...</td>
</tr>
</tbody>
</table>

Solid Recovered Fuel (SRF) is, a “solid fuel prepared from non-hazardous waste to be utilised for energy recovery in incineration or co-incineration plants, and meeting the classification and the specification requirements laid down in EN15359 which will be published soon.

The wording SRF has only to be used in this context.

The specific characteristic of SRF:

**Compliance with classification and specification requirements**

**ERFO – European Recovered Fuel Organisation**
Standardisation

- The efforts of CEN delivered rather a clear framework than a set of specifications
  - Detailed procedures for sampling, analysis and physical tests
  - Classification SRF according to key properties NCV, Hg, Cl
  - A framework, with broad interval's, for classifying SRF
  - Upgrading TS’s into EN’s will be completed by the end of 2011
SRF deals also with …

- SRF is a waste derived fuel meeting the classification and specification requirements of EN 15359

- Main regulations concerned:
  - Waste Framework Directive (definition, recovery, EoW)
  - Waste Shipment Regulation
  - Industrial Emissions Directive (BAT, BREF)
  - Emissions Trading Scheme

  - Renewables Directive (targets, definition biomass)
  - Waste Incineration Directive (ELV’s, measurements)
  - European Court of Justice jurisprudence
  - Reach
From the waste side

- Less disposal
  - Landfill Directive
  - Waste Framework Directive

- Reduction of the emissions of greenhouse gases
  - Reduction of land-filling biodegradable fractions
  - Contribution the Kyoto protocol and 20/20/20 objectives
From the energy side

- Rise of the impact of the energy cost in industrial production
- Heavy price variations
- General trend: increasing prices

Average price of combustibles used in industry

Indices, base 100 en 1996

Champ: industrie manufacturière hors IAA.
Source: Insee - EACEI.
From the CO$_2$-side

- Different sectors and end-users of SRF fall under the ETS (CO$_2$)
- Probable acceleration when progressive auctioning of quota's in the ETS-phase 3 (2013-2020), cost impact on different industries

Source: Hourcade et al., 2008 (hypothesis: Quota at 20 EUR / tCO2 and 10 EUR / MWh in the electricity price)
In 2006 the total potential in EU 27 = 70 Mt; coming from municipal, industrial, and demolition & construction sources and including plastics, paper, cardboard, textiles, wood, high calorific fraction from MBT.

About 12 Mt was energy recovered or 17%.

National recovery rates differed between 2% and 35%.

Even regional differences, within a member state, can be observed.

The processing took place in energy intensive industries; like cement, paper, metal and chemical industries.

The countries with the highest recovery rates are: Denmark, Germany, Netherlands, Sweden.

The countries with the lowest recovery rates are: Bulgaria, Greece, Romania, Poland.

Historical drivers to develop secondary fuels

- Not every country had the same drivers and the same history
  - D: Landfill ban and resource strategy (TASI, KrW/AbfG), Energy crisis and energy price development, necessity to substitute expensive fossil fuels (1995)
  - UK: political choice, difficulties to obtain a permit for a EfW (2005)
  - I: legislation allowing a product status (withdrawn)
  - B: demand of cement plants (1997)
  - SP: political choice, demand of cement plants

- Common economic factors
  - Price of primary fuels (petroleum coke included)
  - Availability or lack of alternatives at a certain moment: tyres, meat & bone meal, hazardous waste.....
Germany

- Important contribution to the expansion and the maturation of this treatment option
- Influence of the energy market and the necessity of increased efficiencies on the waste market has been underestimated
  - Overcapacities of MSWI
- Increasing competition between all types of installations for energetic valorisation: MSWI, dedicated incinerators, co-incineration
  - High share fix costs of existing MSWI is limiting the production of SRF but also the development of other recycling activities
  - Often positive prices
Germany

- Disposal (EfW-plants) gate fees crashed
- Gate fees and + or – revenues at the end user are hardly sufficient
- SRF – platforms (and recycling plants) are increasingly by-passed and some are put in mothballs
- Ways out: pre-treatment plant optimisation, quality improvement, synergies between pre-treatment and final users
- Need for a transparent reflection about the energy and CO₂-value with regard to the pricing system for SRF
Northern Europe and Poland

- The overcapacity in certain countries in Northern Europe is compensated by imports from neighbouring countries; like Norway and United Kingdom
  - Resolution expected at long term of this non-equilibrium with the development of local capacities
  - Overcapacity in the Northern Europe can also be filled up with other types of materials
- Important production of SRF in Poland (+ 500 000 tons) for co-incineration, despite low prices for disposal
  - Often positive prices
France

- Moderate increase of SRF production (< 100,000 tons), not more than one installation in service per operator
  - Use other substitution fuels
  - Low willingness to pay co-incinerators
  - Priority given by the public bodies to the organic valorisation of MSW
  - Gradual increase of the environmental taxes don’t lead to a drastic switch in the way of treatment of wastes
  - Price close to 0 EUR/t
Spain

- Gradual increase of SRF production
- Consumption of renewable energy in Spain, year 2008, was 7.6% of the primary energy (3.6% from biomass and waste, 4% from other renewable sources).
- Cement kilns is the most important destination for SRF in Spain. — 28 of the 41 cement plants of the Spanish cement association had in 2006 permits for the use of alternative fuels (including SRF).
- In 2006 the consumption of alternative fuels for cement sector was 298.114 t.
- The “Instituto para la Sostenibilidad de los residuos” estimates the potential SRF consumption in Spain is 5 Mt. This quantity includes cement industries, and other industrial sectors.
Developments at the output side

- Big power plants are looking for high quality SRF with a constant composition to reduce i.e. corrosion risk. The availability of high quality SRF (with low Cl-values) shall increase their consumption.

- High quality SRF can be delivered by SRF-preparation plants if they use well selected waste inputs and if their operational devices are high tech (NIR, …)

- Cement industry promotes the development of SRF to ensure quantities of their alternative fuels.

- Alternative fuels enable cement kilns to “significantly” reduce their fuel costs
BENEFITS OF SRF

SRF (CEN/TC 343 CERTIFIED) will bring

- Standards
- Quality assurance
- Confidence and trust
- And CO2 reduction

<table>
<thead>
<tr>
<th>Material Waste Stream</th>
<th>Item</th>
<th>CO₂ emissions</th>
<th>Benefit (+) / Burden (-)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co-incineration of SRF/ RDF in a cement kiln</td>
<td>440</td>
<td>1,040</td>
</tr>
<tr>
<td></td>
<td>Substitution of fossil fuels co-incineration cement kiln</td>
<td>1,480</td>
<td></td>
</tr>
<tr>
<td>Solid fuel waste</td>
<td>Co-incineration of SRF in an optimised MSWI</td>
<td>440</td>
<td>460</td>
</tr>
<tr>
<td></td>
<td>Electricity and heat substitution</td>
<td>900</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Co-incineration of SRF/ RDF in a coal power plant</td>
<td>450</td>
<td>1,060</td>
</tr>
<tr>
<td></td>
<td>Substitution of fossil fuels co-incineration coal power plant</td>
<td>1,510</td>
<td></td>
</tr>
</tbody>
</table>
The dedicated incineration model

- Comparison with « gas » combustion scenario

<table>
<thead>
<tr>
<th></th>
<th>Incinerator dedicated (26 MW)</th>
<th>Gas boiler (24 MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Gas at 27 € / MWh (35 € / MWh useful)</td>
</tr>
<tr>
<td>Investment amount (m€)</td>
<td>30</td>
<td>2,4</td>
</tr>
<tr>
<td>Proportional charges (without SRF cost) (m€ / y)</td>
<td>0,56</td>
<td>7,3</td>
</tr>
<tr>
<td>Fixed charges (m€ / y)</td>
<td>1,3</td>
<td>0,05</td>
</tr>
<tr>
<td>Operating charges &amp; maintenance (m€ / y)</td>
<td>2,1</td>
<td>0,05</td>
</tr>
<tr>
<td>Financial charges (m€ / y)</td>
<td>2,6</td>
<td>0,2</td>
</tr>
<tr>
<td>TOTAL (m€ / y)</td>
<td>6,6</td>
<td>7,6</td>
</tr>
<tr>
<td>Potential value of SRF (€ / t SRF break even point)</td>
<td>19,2</td>
<td>- 4,8</td>
</tr>
</tbody>
</table>

Key assumptions

- Dedicated incineration (56 000 t SRF) replacing delivery of steam by gas plant ; Price CO₂ quota : 15 €/EUA

- Less obvious benefits if gas prices remain relatively low
Conclusions

- A sector with potential, under the following conditions
  - A more balanced economy between pre-treatment facilities and co-incinerators, leading to positive prices. SRFs calorific and biogenic content has to be valorised
  - Moderate/restrictive of MSWI-capacities, especially in the NMS
  - Maintaining a regulatory framework as waste, coupled with an enrolment of some SRF on the Green List.
  - Positive development of energy prices and CO\textsubscript{2}-credit-cost
  - High standards of preparation to ensure health and safety
  - Technological progress to explore high substitution rates