

Two waste-to-energy plants to be constructed in Jamaica

Two waste-to-energy plants are slated for early construction in Jamaica, which will see the country saving some US\$60 million in the fuel importation bill, annually.

This announced by Minister of Energy and Mining, James Robertson, at a two-day Caribbean Renewable Energy Forum, being held in Montego Bay.

"Jamaica is on track for the development of waste-to-energy plants and as part of its mandate, the Petroleum Corporation of Jamaica (PCJ) has advanced an international tender process that has resulted in the selection of Cambridge Project Development Company and its partners, to finance, design, build, own and operate two waste-to-energy facilities in Jamaica," he said.

"Provided that all goes well with the due diligence being conducted, these plants will be operated over a 20-year period through a joint venture of PCJ and the Cambridge Project group," Robertson pointed out.

The Minister said that a total of 65 megawatts of electricity from the waste-to-energy project, would offset power that was today being generated with expensive imported fuel oil.

"In fact, these two plants will save or avoid the importation of over 700,000 barrels of fuel each year, representing a savings, at today's relatively low oil prices, of approximately US\$60 million annually. The two waste-to-energy plants will sell power to the national grid under power purchasing agreements and their power sales price will not be driven directly by international oil price, as the imported fuel oil is today. This means that the two facilities will represent a significant hedge against future oil price spikes, like the one experienced globally in 2008," the Minister said.

He noted that the power to be generated from these two waste-to-energy facilities represents about 18 per cent the current electricity needs of the country, excluding the energy-intensive bauxite/alumina industry. "If the bauxite/alumina industry is included, then the two plants could generate approximately 7 per cent of the nation's electricity requirements. We therefore look forward to the success of this project," the Minister said.

Turning to the E-10 fuel diversification programme started in Jamaica in 2008, Robertson said that the present demand had exceeded projections.

"Early next month, there will be a full rollout of the E-10 programme to all parishes in Jamaica. The development of the Bio-fuels industry is targeted to provide ethanol from locally grown feedstock and to also provide export opportunities under the Caribbean Basin Initiative. In that regard, in November last year, Jamaica accepted an invitation to join the MOU between America and Brazil for the advancement of co-operation on Bio-fuels. This will be advanced in the near future," the Minister said.

He emphasised that the timing of the Caribbean Renewable Energy Forum was important and significant, not only to Jamaica's energy sector, but to those of the entire region.

"As we come together as country representatives, private investors and the wider donor community, let us remember that we owe it to those we represent to leave here with solutions and plans of action that are timely, economical and implementable. Today we have an opportunity to move away from our splintered ways at tackling the challenges posed in implementing energy conservation and developing renewable," the Minister told the participants.

Energy Ministers and officials from the Caribbean, a US government delegation, and representatives from the public and private sectors and development finance banks are participating in the forum, which will seek to discuss and drive forward, the renewable energy agenda for the region.