

Wood Pellets vs Chip

- ▶ Requires less space and fewer deliveries
- ▶ Consistent quality (e.g. energy and moisture content)
- ▶ Pellets more transportable and tradable providing greater security of supply
- ▶ Pellets suitable for smoke-free zones
- ▶ Chips go mouldy and sweat, pellets can be stored for longer
- ▶ Pellet-only systems cheaper on capital costs than chip but fuel more expensive
- ▶ Pellets can be put into chip boilers, but chip cannot be put into pellet boilers

Wood Pellets vs Fossil Fuels

- ▶ Carbon Neutral
- ▶ Renewable
- ▶ Secure
 - Pellets from Europe & North America
 - Gas from Russia
 - Oil from Middle East
- ▶ Price Stability – Index-linked contracts

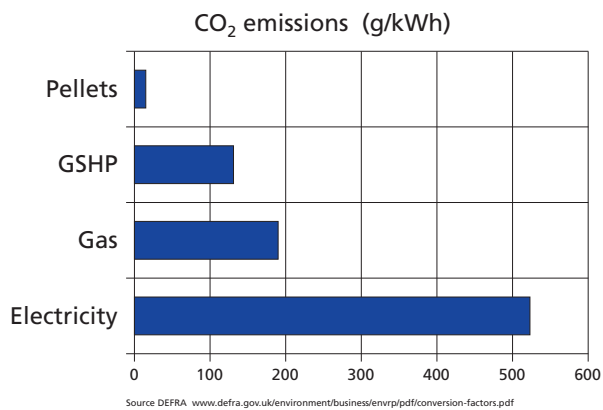


Wood Pellets vs Solar Thermal

- ▶ Can be complementary
- ▶ Heat on demand not when the sun shines
- ▶ Major vs Minor carbon savings
- ▶ Primary vs Secondary heat source

Wood Pellets vs Heat Pumps

- ▶ Greater carbon savings



- ▶ Heat pumps need secondary heat source for hot water
- ▶ Heat pumps prefer under floor, pellets good for all heating systems
- ▶ Capital and running costs similar
- ▶ For on-demand heat, pellets 4p/kWh, heat pumps 3-4.5p/kWh*
- ▶ Heat pumps cheaper on Economy 7 but not on-demand

