



MEDIA RELEASE

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Mackay Sugar starts green energy export to grid

Mackay Sugar today started supplying the national electricity grid with green power from its \$120 million Racecourse Cogeneration Plant.

Construction of the 38 megawatt plant commenced at Racecourse Mill in early 2010 and has involved the replacement of one of the mill's traditional boilers and the installment of a new steam turbine generator.

The traditional boiler was designed to incinerate bagasse (fibre left after crushing sugarcane); however the new high pressure boiler maximises the steam generation from the bagasse.

At full capacity, the Racecourse Cogeneration Plant will produce enough electricity to meet approximately 30 per cent of the Mackay region's annual electricity consumption, while also providing energy to the Racecourse Mill and adjacent Racecourse Refinery.

Mackay Sugar Chief Executive Officer Quinton Hildebrand said the 'switch-on' of green energy from the plant marks a momentous milestone for Mackay Sugar.

"This is the first large-scale cogeneration facility for Mackay, so today's 'switch-on' of green energy is something all stakeholders can be proud of achieving.

"The success of this project exemplifies Mackay Sugar's commitment to growing its business for the benefit of growers and shareholders, employees and the community.

"The plant will also provide significant environmental benefits, with the energy produced from our Racecourse Cogeneration Plant reducing the Mackay region's greenhouse gas emissions by 200,000 tonnes equivalent carbon dioxide (CO₂e) each year," Mr Hildebrand said.

Commissioning of the plant commenced with a refractory dry out in late September and the first fire in the plant's boiler occurred on 5 October. The commissioning phase will continue until end of January 2013.

Energy from the plant is distributed to a 66 kilovolt switchyard adjacent to the Racecourse site and connects to Ergon Energy's Glenella feeder (north of the Pioneer River) via a five-kilometre high voltage transmission line.

The Racecourse Cogeneration Plant is the first of many projects to be implemented under the Mackay Sugar 20-year Diversification Plan, with various other projects set to change the company's financial and environmental footprint.

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