

Sappi doubles Demand Side Response payments

Prior to teaming up with REstore (now part of Centrica Business Solutions), Sappi's paper and pulp plant participated in a reserve programme that yielded low returns. Since the partnership, Sappi has doubled payments to the plant from Demand Side Response.



Putting eco-effectiveness into practice

Sappi is a global paper company with 12,800 employees and manufacturing operations on three continents. Annually the company produces approximately 5.7 million tonnes of paper making it the world's leading producer of high-quality coated fine paper.

The paper industry is a very energy intensive sector, so it is important for Sappi to lower its electricity costs through continuous improvement actions. Participation in Demand Side Response (DSR) programmes enables Sappi to reduce overall energy costs.

An energy-intensive industry

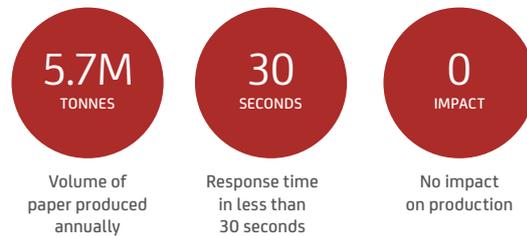
The Sappi Lanaken mill is a completely integrated facility consisting of a pulp plant and two paper making and coating lines. Wood chips are ground and bleached to obtain a high grade of mechanical pulp. The pulp is buffered before entering the paper making process, which allows the pulp plant to be curtailed without a negative impact on production downstream.

Sappi had used this flexible process to directly participate in the reserves market via the transmission system operator (TSO), but the return didn't offset rising electricity costs. Sappi was seeking ways to increase the value of its flexible pulp plant, but without increasing operational risk. Despite some experience of the reserves market, Sappi needed support to enter more stringent reserve programmes with their fast reaction times, short durations and, therefore, maximised payments.

The results

A flexibility audit was performed and found that Sappi's flexible pulp plant could be leveraged within a fast response reserve programme (Primary Reserve). Two major challenges needed to be overcome to participate in this reserve programme that requires a response time of 30 seconds: poor availability of the pulp plant and avoiding any impact on daily operations.

Centrica Business Solution's patented technology enables ultra-fast portfolio effects with response times of a few seconds. Inserting Sappi's flexibility within this portfolio provided the solution to



This technology and portfolio solution allowed us to leverage our flexible processes and to double our annual Demand Side Response earnings.”

Christiaan Geers, Manager RM/Utilities, Sappi Lanaken

Why Centrica Business Solutions?

- Optimises revenues all year-round, offering the highest possible volume, in the highest-paying reserve, at the best possible time
- Shares the risk of activation with a large group of consumers. Industrial consumers can participate in reserves with stricter technical requirements
- Curtailment via the plant's automation system reacts in seconds with no human intervention required

reduced availability. Next, production processes were safeguarded downstream by monitoring and protecting the buffer levels and limiting curtailments of the pulp plant when stocks are too low. The result: greatly increased DSR payments for Sappi with no impact on production.