



Dorset Renewable Industries Pty Ltd

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**Submission in Response to Meeting Future Market Demand Australia's
Forest Products and Forest Industry Study**

1. Introduction

DRI welcomes the Government's initiative in developing a Forest Products and Forest Industry strategy, and welcomes the opportunity to make a submission in response to the draft strategy.

In relation to Issue # 6 - and Forestry Hubs, DRI is developing a HUB and would welcome the Governments involvement in monitoring, viewing, learning and contributing to the envisaged local success at rebuilding a local economy.

Dorset Renewable Industries Pty Ltd (DRI) is a community focussed enterprise aimed at developing new industries in the Dorset region of Tasmania's North East.

By investing in the region's renewable resources, DRI will build community resilience, environmental sustainability, local skills and innovation.

DRI was formed in response to the downturn in the forestry industry and the economic damage done to the Dorset community by the downturn. Accordingly, the renewable resources that DRI focuses on are mainly forestry related.

DRI with Federal Government Assistance has formed the arguably the first HUB relating to timber and natural resources. DRI would welcome working with the Government to showcase and document the journey that DRI is taking to reinvigorate the local economy based on its natural resources:

- A social licence - a supportive local environment
- A supportive local, state and federal government
- A wealth of natural resources, timber, local farmers growing timber for harvest
- Opportunities to value add from the lowest to the highest wood product order
- A sound social, environmental, economic and WH&S environment and culture

DRI has purchased a site at Ling Siding, Scottsdale, Tasmania and is in the business as we speak on turning that site into a timber processing HUB.

The attached flow chart depicts what will be achieved at the site; things such as

- Timber treatment
- Timber colouring
- Timber preservation
- Timber flooring and framing
- Garden lattice and fencing materials
- Laminated timber products
- Log peeling
- Cross laminated timber products
- Waste products from one industry being the fuel and resource for other industries;
 - Timber chips for industrial heating use
 - Timber pellets for domestic and commercial heating purposes
- DRI hopes in the future to become involved in the liquid fuel industry and has a site ready for that purpose at the HUB.

2. Dorset Renewable Cooperative

Dorset Renewable Industries is investigating the development of a cooperative, where the community can be become involved as part owners and see the benefits of their efforts in this exciting and renewable sector. Where farmers can part own a cooperative that buys and processes their local resources for a fair return and those products in turn contribute positively to the local environment in quality timber products and resources.

Expertise, jobs, skills, local economic activity and growth will flow from DRI's activities.

3. A Communities Natural Resources - North East Tasmania - Dorset

DRI have undertaken a study of its natural resources within a cartable 60 klm radius and has determined from that study that there is sufficient resources to develop a bio fuels industry using 150,000 green tons of renewable resources to produce 30 million litres of fuel per year for 20 year period; while paying farmers a proper return for their efforts.

3. Liquid Fuel Security.

Liquid fuel security is of concern to the community because:

- Our community is totally dependent on the availability of liquid fuels. There are no gas pipelines in Dorset and no operating railways. All transport is via road and therefore dependent on the availability of liquid fuels, mainly diesel. Diesel fuel is needed to move virtually all commodities, including diesel itself. Further, one of our most valuable products - milk - is mainly processed out of Dorset and hence trucked out of the region in considerable quantities each day. We are totally and critically dependent on petroleum.
- In the last decade all of the major industrial employers in and around Scottsdale closed. Vegetable processors and saw mills that had provided employment, training, purchased inputs and services, all gone. The economic consequences of these closures are well known, and have had a profound effect. With hindsight we realise that we were highly dependent on a very small number of enterprises, and that we had no Plan B for our local economy. This experience has made us very wary of the risks of dependence on single commodities or single suppliers.

In short, an energy strategy which purports to cover the next 20 years needs to include the active development of a Plan B for liquid fuels, we believe.

DRI has for some time been following the development of a technology to convert cellulosic biomass to ethanol.

The technology is being developed by Ethanol Technologies Ltd (Ethtec), who have a pilot plant near Yamba in northern NSW. Ethtec's technology has several advantages: it does not rely on a constant supply of expensive enzymes; it can work with a range or a mixture of feedstocks; and it uses a continuous rather than a batch process. Because of these advantages, Ethtec has focussed on plants which are smaller than usually considered for cellulosic ethanol projects.

DRI obtained funding from the North-East Working Group for a pre-feasibility study into a 30 million litres per year ethanol plant, which would use about 150,000 tonnes of green woody material annually as feedstock. The pre-feasibility study was conducted in 2014 by KPMG and was sufficiently positive for us to continue to be interested in such a plant as a longer term investment opportunity for Dorset.

In summary we welcome the Government initiative and hope that the parties will follow DRI's HUB process as it develops and contributes in a very positive way to the local economy and Tasmania through skills, expertise, jobs and a fair return on investment for growers and investors.

Yours sincerely

Wendy Mitchell
Secretary
Dorset Renewable Industries Pty Ltd