For UN-HABITAT Expert Group Meeting 2010

Poultry Litter Power Generation Project as an Environment-conscious Business

September 30th 2010



Nishinippon Environmental Energy Co., Inc.

Outline of NEECO

Kyushu Electric Power Co.,Inc.

Established	May 1951
Paid-in Capital	237.3 billion JPY
Employees	12,465
Power	22,943 MW
Supplying	Thermal: 10; Nuclear:2
Facilities	Hydro: 139; Geothermal: 6 etc.

100% Subsidiary Company

Nishinippon Environmental Energy Co., Inc.

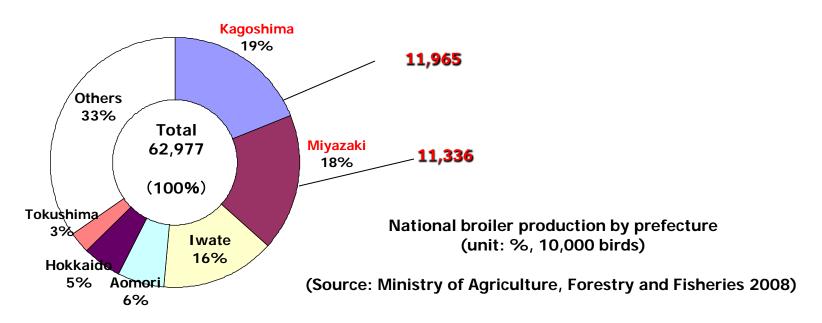
Established	Nov. 1990	
Paid-in Capital	1,010 million JPY	
Employees	72	
Major Lines of Business	 Environment/Energy businesses New Energy Power Generation (→Poultry Litter Power Generation) Consulting business Energy Solution business (ESCO etc.) 	



Japan: Land area 378,000km², Pop. 128 million

Number of Broiler Produced (Japan)

- 4 Annual broilers production: Approx. 630 million birds
- Southern Kyushu is a leading broiler production region
- Miyazaki Pref. is the second leading broiler producing prefecture in the country.
 - (⇒ Approx. <u>250,000 tons/year</u> of poultry litter is generated)



Methods of processing Poultry Litter

	Direct Recycle to Farmland	Compost	Incineration
	Return to soil as manure	Fermentation Plant	Incineration Plant (Boiler)
Characteristics	- Widely used (conventional) method - Not require large-scale facilities		Requires various facilities (such as furnace and boiler)Capable of generating electricity (large-scale facility)
Environme ntal Effect	- Bad odor, - Excessive nitrogen in soil Bad odor (fermentation process) Capable of thermal odor-generating sul and reducing volum (to 1/10)		Capable of thermal cracking of odor-generating substances and reducing volume of litter (to 1/10)
Future	Inappropriate disposal and storage of poultry litter is prohibited by law (since Nov.2004)	Excessive manure and shortage of application are issues in area where poultry industry is prosperous	Drawing attention for its favorable environmental characteristics

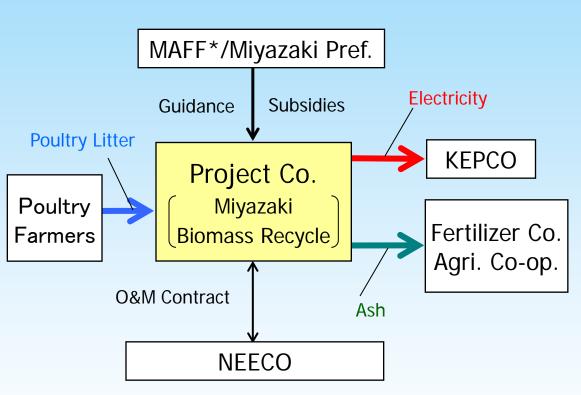
Values of Poultry Litter Power Generation Business

Reduction of Environmental Impact

- Thermal cracking of bad odor substances
- Reduction of volume of waste by Incineration of poultry litter
- Contribution to global environmental preservation
- Conservation of fossil fuels
- Reduction of CO₂ emission
 by power generation using carbon neutral biomass
- Contribution to further development of broiler industry

by processing poultry litter in a stable and environment-conscious method.

Outline of Miyazaki Project



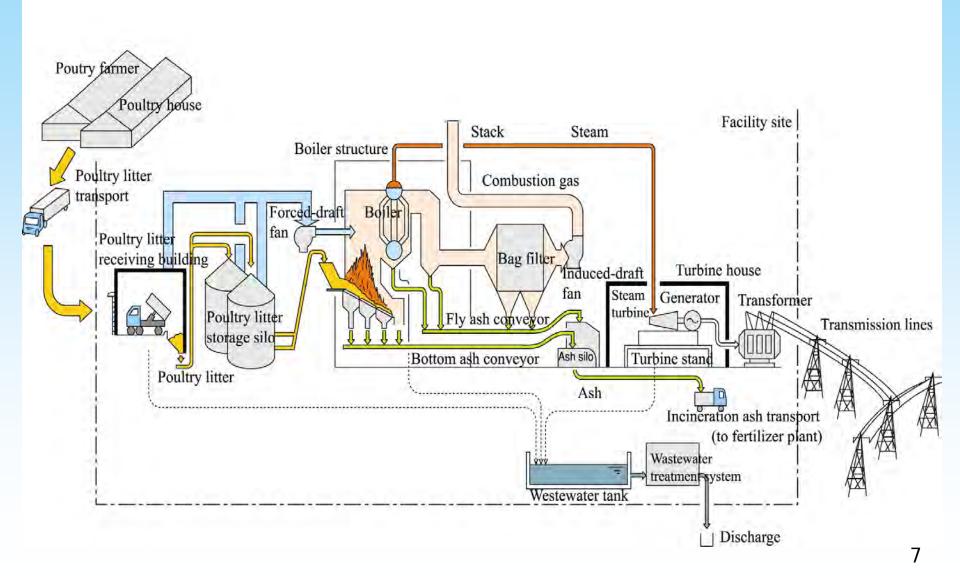
* MAFF: Ministry of Agriculture, Forestry and Fisheries

Outline of MBR

Business Objectives	Sales of electricity and incinerated ash generated by poultry litter incineration	
Location	Kawaminami, Miyazaki, Japan	
President	Mr.Yoshiyuki BABA (president of NEECO)	
Paid-in Capital	100 million JPY	
Share holders	Farmers Broiler Co. NEECO	54% 4% 42%
Incineration Cap.	132,000 metric tons /year	
Generation Cap.	11,350kW	
Established	May 2003 (Started commercia operation in May 20	

Business Scheme

The System of Miyazaki Plant



Bird's eye view of Miyazaki Plant

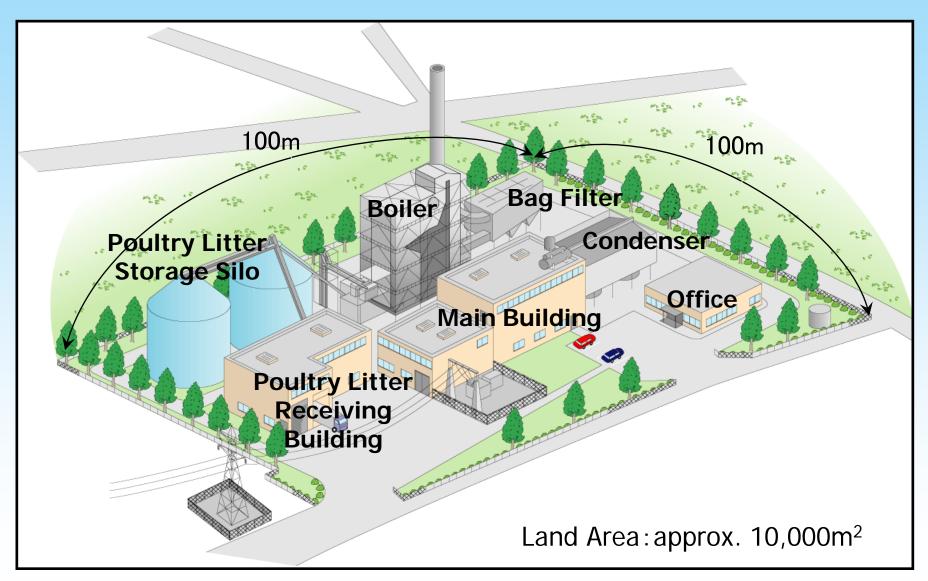


Photo of Miyazaki Plant(1)



Photo of Miyazaki Plant(2)









Property of Poultry Litter

Ave. Heating Value: Approx. 2,000 kcal/kg (LHV)

> Ave. Moisture Content Approx. 43%

* Heating Value of Coal Approx. 6,200kcal/kg(LHV)

Operating Conditions

Operated 5 years without major problems

⇒ Availability: approx. 90% (including major maintenance period)

Major Awards

- Excellent Biomass Utilization Awards (2005)
 - MAFF Rural Development Bureau Chief Award
- The 11th New Energy Awards (2006)
 - NEF Chairman Award
- The 5th Eco-Products Awards (2008)
 - Special Jury Award (Eco Service Category)
- The Best 100 New Energies (2009)
 - ➤ METI, NEDO Selected
- Kyushu Environment Business Awards (2009)
 - Excellent Award

Others

- Used as class material by local schools
- Visited by 3,880 people (until March 2010)

Conclusions

Poultry power generation is •••

- Drawing a lot of attention nationwide for its values including environmental preservation, contribution to development of broiler industry, etc.
- Very effective method for processing poultry litter in Japan where environmental problems (bad odor, Nitrogen contamination) are emerging.
- To be introduced to other countries or regions suffering from same kind of environmental problems.

Location



Outline of Project

Description of Business	Biomass power generation (fuel: poultry litter + wooden biomass) (IPP)
Project Company	Orient Eco Energy Limited Shareholders (Shareholding Ratio) Orient Green Power Company Limited (60%) Nishinippon Environmental Energy Co., Inc. (40%)
Location	Namakkal District, Tamil Nadu, India (380km Southwest of Chennai)
Power Output	7,500kW
Fuel	poultry litter + wooden biomass
Power Purchaser	Tamil Nadu Electricity Board (TNEB) / other distribution companies
Scheduled Start of Commercial Operation	FY 2011

Thank you very much for your Attention!!





New Business Development Dept.

Nishinippon Environmental Energy Co., Inc.