



ABI Biochar Workshop Production, Economics and Post Processing

Wednesday August 27, 2014

BIOCHAR PRODUCTION ECONOMICS

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SITE SPECIFIC

- **EACH PROJECT IS SOMEWHAT UNIQUE**
- **WE CAN MAKE GENERALIZATIONS**
- **HOW DO LOOK AT A PROJECT AND DETERMINE IS IT IS VIABLE – IF CAN IT HAVE SOME INCOME TO JUSTIFY THE EFFORT**
- **ECONOMIC MODEL TO HELP IN DECISION MAKING**

WHAT IS IMPORTANT

- BIOCHAR QUALITY – FAST PYROLYSIS VS SLOW
- CAPITAL COSTS VS RATE OF RETURN
 - MINIMIZE CAPITAL COSTS
 - CAPITAL VS MAINTENANCE COST IMPACTS
- OPERATING COSTS
 - WHAT ARE KEY COST CENTRES TO WORK ON MINIMIZING – MOST BANG FOR THE BUCK
- REVENUE
 - WHAT CAN SELL THE BIOCHAR FOR

COMPROMISE

- THERE IS GOING TO HAVE TO BE SOME COMPROMISES ALONG THE WAY
- EG QUALITY OF BIOCHAR VS COST OF PRODUCTION
- HIGHER CAPITAL COST – LESS MAINTENANCE
- MOBILE VS STATIONARY SYSTEMS
- PRODUCTION OF BIO-OIL OR NO BIO-OIL
- AND THE LIST GOES ON . . .

MODEL

- LINKED SPREADSHEETS
- SINGLE INPUT PAGE
- SUMMARIZES NET INCOME
- CALCULATES INTERNAL RATE OF RETURN
- MODEL IS AVAILABLE THROUGH ABI IN AN EXCEL (.XLS) FILE. UNPROTECTED AND OPEN FOR MODIFICATION TO SUIT.

A large pile of cut lumber and wood debris is the central focus of the image, situated in a clearing within a forest. The wood is piled high and appears to be freshly cut, with various sizes of planks and beams visible. The background consists of a dense forest of tall, thin trees with green foliage, suggesting a healthy forest environment. The ground in the foreground is covered with a layer of brown pine needles and some scattered wood chips.

**ECONOMICS EXERCISE
USING XLS MODEL**