

News Release

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Clean tech buffers business from rising energy costs

As high energy costs put the squeeze on many of the country's businesses, ANZ has highlighted the value of long-term investment in clean energy technology.

"Businesses are doing it really tough in the current economic environment and we know for many their focus is on day-to-day survival," says Antonia Watson, CEO of ANZ New Zealand.

"We work with our customers through the economic cycles, and part of this is supporting investment in initiatives, including energy technology, to help future proof their businesses."

Ms Watson made the comments while visiting a newly installed state-of-the-art wood waste boiler at fence post and pole producer Hautapu Pine Products Ltd, in Taihape.

Before it upgraded its ageing coal-fired boilers in late 2022, Hautapu Pine had been burning 110 tons or \$52,000-worth of coal every month, trucked in from the West Coast.

"We know businesses want to be able to better manage the challenges they face, whether that is extreme weather, emissions regulations or volatile energy prices," Ms Watson says.

"So it's great to see businesses like Hautapu Pine invest in their future and find ways to be more resilient and self-sufficient."

Hautapu Pine's Managing Director Susan Benson says the company started exploring options a few years ago, believing there must be a way to burn its wet wood waste to make steam to prepare the fence posts.

"We had piles and piles of pine peelings we were doing very little with, and only getting a small amount of revenue from," Ms Benson says.

With the help of a \$913,500 grant from the Government Investment in Decarbonising Industry (GIDI) Fund, the company settled on a \$1.65 million high-tech Danish wood waste boiler.

The new boiler, designed to handle the long, wet, stringy pine peelings, now powers the plant 24/7, turning what was once a waste product into a valuable resource.

"It's sort of like magic. To be able to create the steam you need from a waste product and at the same time reduce your carbon emissions – in our case to just 6 percent of what they were. It's pretty cool," she says.

Hautapu Pine covered part of the total \$3.6 million cost of the project with lending from an ANZ Business Green Loan.

“Instead of spending that money on coal, we're able to service the loan and make loan repayments,” Ms Benson says.

“The discounted lending was very helpful, reduced the payback period and made the investment far more financially viable.”

Since September 2022 ANZ has funded 176 projects, with lending totalling \$57 million, through its Business Green Loan.

A further \$380 million has been lent under government-backed North Island Weather Event Loans, plus another \$52 million as Business Regrowth Loans.

“That’s close to half a billion dollars of investment in our country’s future, and a serious commitment to the long-term sustainability of our productive sectors,” Ms Watson says.

“Being able to help our customers on that journey with discounted financing is something we're really proud of, especially when you see it supporting amazing forward-thinking investments like this wood waste boiler.”

Hautapu Pine’s investment is one of a number of projects ANZ has financed, that allow businesses to reduce their carbon emissions, while becoming more resilient and self-sufficient.

FUTURE-PROOFING

For Hautapu Pine, the immediate environmental and emissions benefits of the new wood waste boiler are apparent. So too, the long-term reduction in running costs for the plant.

However, after installing the new boiler, the company has now discovered that it has more steam than it can use, and still has more pine peelings than it needs.

It is now looking at other ways it could use the energy for other industrial processes requiring heat.

The company’s new boiler has also been used by Kiwi start-up [Captivate Technology](#), to test its innovative carbon capture technology.

The technology can trap and store over 90 percent of the wood waste boiler’s CO2 emissions, potentially creating another revenue stream for Hautapu Pine by allowing it to sell captured CO2 to the food and beverage, fertiliser or other industries.

“The initial motivator was financial – it was the numbers - the opportunity to be more efficient as a business,” Ms Benson explains.

“But I think it would be sitting pretty hard on my conscience now, if we were still burning coal.”

More information about ANZ’s Business Green Loan is available [here](#). Eligibility, terms and conditions and fees apply. Offer subject to change.

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