



Bioenergy Insight

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Legislating for success

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green transition

An untapped resource

How CHP is helping maintain
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BALMORAL TANKS

Regional focus: Scandinavia

The number one source of information internationally for **biomass**, **biopower**, **bioheat**, **biopellets** and **biogas**!



Finding opportunity in the green transition

As Denmark moves away from fossil fuels, Nature Energy has become one of the country's biggest success stories

by **Daryl Worthington**

Nature Energy is Denmark's leading producer of biogas, with capacity to convert 2,800,000 tonnes of waste into enough biogas to heat 70,000 households with sustainable energy each year. This success hasn't come overnight however, with the company's growth tied to a Danish policy environment that is highly supportive of

green, renewable energy sources, particularly biogas.

The company's origins were as a fossil-based natural gas utility, but switching from natural gas distribution to biogas production has seen Nature Energy go from strength to strength. Founded in 1979 as Naturgas Fyn, the utility ran for years with a deficit of €10 million.

"After several years with a deficit and a government decision to phase out fossil fuels we decided to make a green strategy. Denmark has a well-developed gas grid that we could see could have a role in a green energy system in the future, and therefore we decided to move our focus towards production of biomethane," Nature Energy's CEO Ole Hvelplund tells *Bioenergy Insight*.

The transition at Nature Energy reflects wider changes in the Danish gas sector. The country's government has



Nature Energy's Holsted installation

acquired the gas grid with the aim of fully realising its efficiency potential for the benefit of Danish consumers. Independent public enterprise Energinet, which is owned by the Danish Ministry of Climate and Energy; owns, operates and develops the transmission systems for electricity and natural gas. One of the key obligations on Energinet is to

integrate renewable energy into the Danish energy mix, and build the infrastructure for 'a socio-economically responsible green transition.'

"In 2012 the government and a majority of the parliament decided to allow biomethane to be integrated into the gas grid and next year more than 10% of the gas grid will be green." Hvelplund continues.



Nature Energy CEO Ole Hvelplund

“This spring the government announced a proposal for a new energy agreement and in that proposal the subsidies for biogas are directed towards biogas to grid-production.”

Building a giant for the green gas sector

Earlier in 2018, an investment consortium comprising specialists Pioneer Point Partners, global investment firm Davidson Kempner, and leading Danish pension fund Sampension acquired Nature Energy from the eight municipalities that had owned the company since its inception in 1979. For the company, this privatisation is seen as the next step in its growth.

Nature Energy already owns five large scale biogas production facilities, however a statement announcing the acquisition reported that the company is poised to grow to 17 domestic plants within the next 5-10 years, with two new facilities already under construction. A clear sign of the growth expected in Denmark’s biomethane industry.

“We firmly believe that Nature Energy is the perfect platform to build a European giant in the emerging sector of grid injected waste-derived



Nordfyn Biogas

green gas, following other innovative Danish renewable energy players such as Vestas and Ørsted (formerly DONG) that have gone global,” said Sam Abboud, founding partner of Pioneer Point Partners, at the time of the acquisition.

Key to Nature Energy’s long term plans is a drive to expand its green gas to grid production internationally from its headquarters in Funen, Denmark. An ambition that is also shared by the Danish ministry of foreign affairs.

“We clearly see this as a

high value impact investment for Denmark,” said Steen Hommel, director of Invest in Denmark. “This will not only boost Nature Energy’s potential to export green gas to grid technology and infrastructure abroad, but also create jobs and R&D at home, allowing Nature Energy to contribute significantly to the green transition and growth of the Danish economy.” ●

Several quotes from this article were taken from a statement from the Danish Ministry of

Foreign Affairs announcing Nature Energy’s acquisition. <https://investindk.com/en/insights/investment-consortium-acquires-denmarks-largest-biogas-producer>

Ole Hvelplund will be giving a presentation at the International Biogas Congress & Expo, 10-11 October in Berlin, Germany. <http://www.bioenergy-news.com/conference>

For more information:
Ole Hvelplund is CEO of Nature Energy
Visit: www.natureenergy.dk

	Mio m ³ /year	Effect (MW)	Biomass capacity (tonnes per year)	Number of local homes that can be heated	Status
Nature Energy Biomethane Plants					
Vaarst	8,5	10,7	300.000	6.100	Running
Midtfyn	11,5	15,0	360.000	8.200	Running
Månsö	6,5	8,20	150.000	4.600	Running
Nordfyn	9	11,3	330.000	6.400	Running
Holsted	12,5 (20,7)	15,7 (26,0)	400.000 (600.000)	8.900 (14.000)	Running
Videbæk	16,5	22,0	600.000	11.800	Under construction
Korskro (Esbjerg)	36,1	45,4	1.050.000	25.800	Under construction
Kolding	17,5	22,0	450.000	12.500	Application sent
Sønderborg (Glansager)	21	26,4	600.000	15.000	Application sent