

Outline of Chilean Biomass Power Generation CDM Projects

1. Project titles

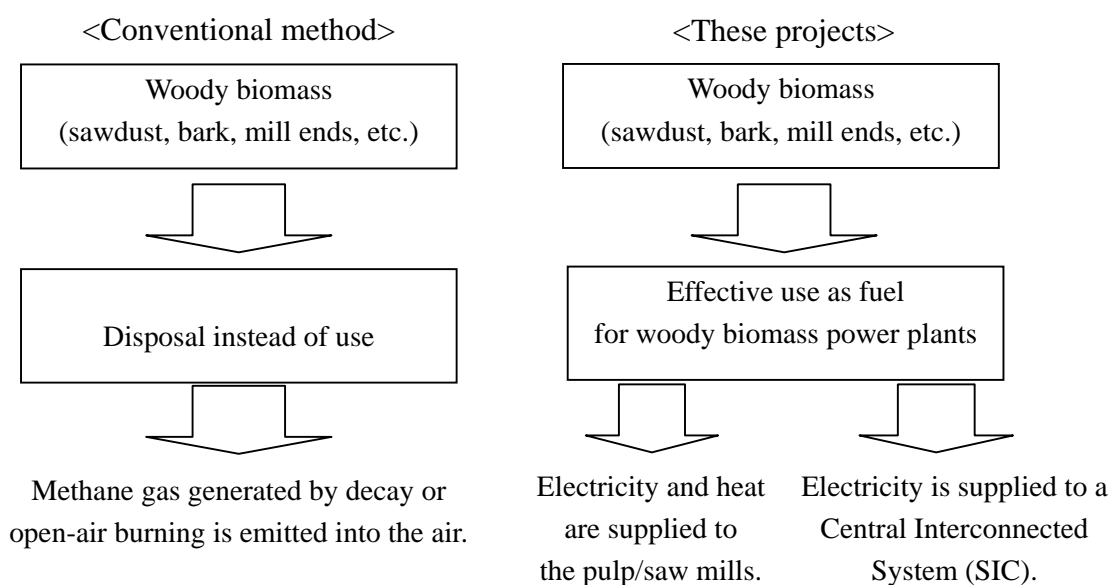
“Nueva Aldea Biomass Power Plant (Phase I)”

“Trupan Biomass Power Plant in Chile”

2. Outline

- Arauco has built two woody biomass power plants, each of which generates 30,000 kilowatts in their two pulp/saw mills, in order to supply electricity to the local electric system Central Interconnected System (Sistema Interconectado Central [SIC]) as well as supply electricity and heat to the pulp/saw mills.
- The effective use of woody biomass can reduce methane gas generation. In addition, the biomass power generation can provide part of the electricity used for the local electric system. Consequently, approximately 4.4 million tons (in term of carbon dioxide) of greenhouse gas emission is expected to be reduced for the period from 2003 through 2025.
- Both of the power plants have already started operation. TEPCO purchases approximately 480,000 tons of CERs that the UN’s CDM Executive Board has issued for the two projects.

Scheme Diagram



3. Implementation periods

- Nueva Aldea Biomass Power Plant
January 1, 2005 — December 31, 2025
 - * CERs that TEPCO purchases this time:
Approx. 150,000 tons issued for the period from January 1, 2005 to September 30, 2006.
- Trupan Biomass Power Plant
May 1, 2003 — April 30, 2023
 - * CERs that TEPCO purchases this time:
Approx. 330,000 tons issued for the period from May 1, 2003 to September 30, 2006.

4. Location

The 8th Region of Chile



The projects have been carried out at Arauco's two pulp/saw mills located in the Nueva Aldea Industrial Complex and the Trupan Industrial Complex in the 8th Region of Chile.

5. Power generation facilities

Biomass cogeneration system whose total capacity is 30,000 kilowatts × 2 units



Nueva Aldea Biomass Power Plant



Trupan Biomass Power Plant

6. Expected emission reduction of greenhouse gas

Approx. 4.4 million tons (in term of carbon dioxide)

<Total reduction amount by the two projects for the period from 2003 through 2025>

* Of the total reduction amount, TEPCO purchases approx. 480,000 tons of CERs this time.