

Gasification survey country: Norway  
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# 1 Policy

## 1.1 *Klimakur 2020*<sup>1</sup>

Klimakur 2020 is a report that was prepared for the "Ministry of the Environment" by several groups, among these are, "Norwegian Water Resources and Energy Directorate", "Norwegian Petroleum Directorate", "The Norwegian Public Roads Administration", "Statistics Norway" and "The Climate and Pollution Agency". The report aims at mitigating the climate changes by reducing CO<sub>2</sub> emissions to the atmosphere. Conclusions are as follows:

- The Norwegian emissions of climate gases shall be reduced by 15 – 17 million tons of CO<sub>2</sub> equivalents by the year 2020.
- It is taken into account that Norway will be credited 3 million tons of CO<sub>2</sub> equivalents through CO<sub>2</sub> capture by forest. The aim is therefore reduced to 12 – 14 million tons of CO<sub>2</sub> equivalents.
- The target is set relative to the baseline scenario of future greenhouse gas emissions as expressed in the national budget for 2007.
- The klimakur 2020 has only investigated measures that are adding to the expected emission reductions which are in the baseline scenario.
- The klimakur assessment will be the basis for the government's evaluation of the Norwegian climate policy, which will be presented to the parliament in 2011.
- The agencies behind the report should show existing opportunities without selecting or recommending any measures.

The klimakur report mentions the transport sector as one of the easiest sector for the reduction of climate gas emissions. The potential is 3 – 4.5 million tons of CO<sub>2</sub> equivalents within the year 2020 where the contributors are comprised of road traffic, civil air traffic, ships traffic, railroad and other mobile sources (tractors, etc.). Klimakur recommends biofuels as a part of the solution and estimates potential CO<sub>2</sub> reductions of 1.7 – 1.9 million tons in 2020 and 3.8 – 7.7 million tons in 2030.

Other sector that contributes to the increase of biomass utilization is inland production of heat and electricity. This sector is already blessed with high share of renewable energy due to the hydropower situation in Norway. The climate emissions from this sector were calculated to 0.6 million tons of CO<sub>2</sub> equivalents in 2007 which constitutes of one percent of the national emissions. Most of these emissions come from natural gas heat and power generation which are already accounted for under the section dealing with CO<sub>2</sub> capture and storage. The rest of the contributors come from small scale heat production units based on fossil fuels. Measures for CO<sub>2</sub> reduction from these units are will be solved by the replacement of fossil fuels with biomass.

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<sup>1</sup> Statens Vegvesen Climate cure 2020 Chapter 10, Sector analysis of transport, in the Norwegian report Climate Cure 2020, Measures and Instruments for Achieving Norwegian Climate Goals by 2020 [www.klimakur2020.no](http://www.klimakur2020.no)

## 1.2 Strategy For increased expansion of bioenergy - 2008<sup>2</sup>

The main target the strategy is to increase the biomass utilization with "new" 14 TWh by the year 2020. It is estimated that the total use of biomass in Norway was about 14.5 TWh in 2006. A slightly over 7 TWh was used in homes and 4.4 TWh in the industry. 2.7 TWh was converted into heat and power in large systems, of which 1.4 TWh was generated in district heating plants, 1 TWh in cogeneration plants and 0.3 TWh in thermal power plants. As it can be seen, the power generation based on biomass which is relevant from the biomass gasification point of view is quite limited in Norway. Profitability for such systems depends on the utilization of the generated heat. The strategy for increased utilization in biomass for heating is by substituting oil based systems. Calculations has shown that the annual consumption of bioenergy in residential, commercial buildings and heating plants can be increased by 14 TWh if oil prices are still expected to remain at a high level (70-90 USD / barrel) and if the quota price of CO<sub>2</sub> increases to 500 NOK/ton. Norway introduced a CO<sub>2</sub> tax in 1991, as one of the first countries in the world. In 2008, the CO<sub>2</sub> tax was 207 NOK per ton of CO<sub>2</sub> for light fuel oil and 175 for heavy fuel oils.

As for biofuel the strategy states that Norway shall increase the biofuels turnover to approximately 7 % from 2010 whereas the second sets the ambitious target of reaching a 20 % share of energy from renewable sources by 2020 and a 10 % share of renewable energy specifically in the transport sector, with a significant contribution from biofuels.

The Climate and Pollution Agency (klif) is attempting at achieving these ambitious targets by putting in motion a new proposal for the utilization of biofuels.<sup>3</sup> A deadline for proposal modification was set to January the 10<sup>th</sup> 2011. In addition, the EU directive on fuel quality will be also implemented in Norway. As from July 2011 a new law for the trade of biofuels was introduced. The share of biofuels in the total quantity of traded fuel was increased from 3.5 % to at least 5 %. A greater care will also be taken at ensuring a sustainable production in line with EU directives. The following goals are hoped to be achieved in regards to emissions:

- Emissions of greenhouse gases from fuel should be reduced by 6 % (relative to energy content in the fuel) by the end of 2020.
- The substitution of fossil fuels by biofuels should lead to a reduction of greenhouse gas emissions by at least 35 %.
- As of January the first 2017 the emission reduction should be at least 50 percent.
- Biofuels produced on plants that start up after January 2017 should have an emission reduction of at least 60 % after January 2018.

## 2 Research programs

The Research Council of Norway serves as strategic adviser, funding agency and network builder and bases its activities on national research policy and guidelines established by the Norwegian Government. The Norwegian research policy is laid down in Report No. 30 (2008-

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<sup>2</sup> <http://www.regjeringen.no/nb/dep/oed/dok/rapporter/2008/strategi-for-okt-utbygging-av-bioenergi.html?id=505401>

<sup>3</sup> <http://www.klif.no/no/Tema/Klima-og-ozon/Biodrivstoff/>

2009): Climate for Research, which identifies areas of research expected to play a crucial role in meeting key challenges facing society.

- Upholds the Government's long term ambition that total R&D expenditure will constitute 3 per cent of GDP
- Emphasizes the need to focus on major global challenges relating to energy, climate, poverty and health
- Incorporates perspectives relating to the northern areas
- Sets clear targets for the role of the public sector in industry-oriented research
- Signals a desire to increase investment in basic research
- Suggests a new funding model for infrastructure
- Sets clear targets for increased recruitment
- Advocates greater focus on internationalization
- States that resource use throughout the research sector will be evaluated

Norway's research budget for 2011

The national budget for 2011 provides an overall allocation of NOK 23 billion for research and development (R&D) activities in Norway. Thus the total R&D budget is NOK 550 million higher than for 2010, representing a nominal growth of 2.4 per cent. The R&D allocations for 2011 entail zero real growth in this sphere for this year.

## *2.1 Clean Energy for the Future (RENERGI) (2004 – 2013)*

### **2.1.1 Primary objective**

The primary objective of the RENERGI program is to develop knowledge and solutions as a basis for ensuring environment-friendly, economically efficient and effective management of the country's energy resources, a highly reliable energy supply and internationally competitive industrial development related to the energy sector.

### **2.1.2 Secondary objectives (5-10 years perspective)**

- New technologies, systems and solutions that facilitate energy restructuring by improving the efficiency of energy production, transmission and use, making more energy available and improving system security and flexibility.
- Environment-friendly energy systems that reduce emissions of greenhouse gases and other air pollutants, improve land use, etc.
- New, internationally competitive goods and services related to the energy sector.
- Knowledge and analysis as the basis for the authorities' and industry's long-term energy strategies, public debate and design of public policy instruments.
- Internationally competitive research communities in high-priority fields that collaborate extensively with international researchers and various types of users.

### **2.1.3 The objectives for a 20-30 year perspective**

The objectives for a 20-30 year perspective encompass these same elements. Research activities are intended to create a foundation for societal development based on a high

degree of innovation in which the development of the energy sector development is consistent with ambitious environmental goals.

Important secondary objectives in this context include:

- Energy systems and management that can be adapted to comply with the next generation of climate agreements and the EU's long-term objectives for security of supply, the environment, renewable energy, etc.
- Energy policy that paves the way for value creation in the energy sector and enables the energy-related supplier industry to continue to play an important role in the Norwegian economy
- When laying down objectives and designing strategies in such a long-term perspective, research efforts will have to be adaptable to changes in the needs of society and in framework conditions, and include:
- Knowledge-building in fields relevant to the exploitation of Norwegian energy resources and energy efficiency
- Recruitment to research communities
- Establishing good cooperation between research communities, trade and industry and other users
- Broad participation in international research programmes
- Encouraging innovation and a long-term perspective in trade and industry
- This programme/activity normally accepts grant applications from: Trade and industry, independent research institutes, and universities and university colleges.

Overall budget (round figures):

For 2004: NOK 150 million.

For 2005: NOK 137 million.

For 2006: NOK 148 million.

For 2007: NOK 150 million.

For 2008: NOK 150 million.

## *2.2 Program for Power Generation with Carbon Capture and Storage (CLIMIT)*

The program is managed by Gassnova in cooperation with the Research Council of Norway. Responsibilities have been divided: whereas the Research Council of Norway is in charge of the research projects, Gassnova is responsible for the prototype and demonstration projects. By supporting testing and demonstration projects, Gassnova shall help to develop cost-efficient and future-oriented technology concepts for CO<sub>2</sub> management. This includes the development of know-how and solutions for:

- CO<sub>2</sub> capture before, during or after power production
- Compression and handling of CO<sub>2</sub>
- Transport of CO<sub>2</sub>
- Long-term storage of CO<sub>2</sub> and other areas of application

Gassnova shall focus on co-funding projects seen as having an obvious commercial potential and which include a market-oriented business plan. Please also refer to the Program Plan and the CLIMIT "road map".

### *2.3 Program for user-driven research BIA*

The BIA program is targeted at industry and has a budget for 2011 of approximately NOK 355 million. Companies may apply for partial funding of R&D projects which are based on their own strategies and challenges, regardless of branch of industry or thematic area. The projects must result in substantial value creation for the companies as well as for society-at-large, and must take an international perspective. The projects are organized in consortia whereby companies and R&D communities cooperate on achieving results.

#### **2.3.1 Background**

The level of national investments in R&D is lower than desired, and it is vital that Norwegian trade and industry is encouraged to increase its investments in research. Moreover, the ability to exploit the economic potential of R&D investments still needs to be enhanced significantly. The Research Council has launched a strategy for user-driven research based on the following assumptions:

- Public investments in user-driven research will trigger significant new R&D initiatives in Norwegian trade and industry.
- Public investments in user-driven research will lead to increased national value creation in the long-term.
- User-driven research needs to be targeted to meet important challenges and support company strategies.

Report no. 20 to the Storting (2004-2005) "Commitment to Research" stresses the importance of mobilizing Norwegian trade and industry with a view to achieving greater R&D investment. However, the report also states that too great a focus on user-driven research in narrow segments of industry may result in too little funding for projects that would be profitable in a more socio-economic perspective. Based on this reasoning, the Norwegian Government has recommended that the competitive arena for funding be expanded within the established budgetary framework. Consequently, several specific, industry-oriented user-driven research programs have been consolidated into a new, more general Program for User-driven Research-based Innovation (Norwegian title: Brukerstyrt innovasjonsarena, abbreviated BIA).

### *2.4 SkatteFUNN*

The primary objective of the SkatteFUNN scheme is:

- To provide support to R&D projects carried out by companies.
- To enhance innovation in Norwegian trade and industry, and services.
- To foster the development of good business ideas.
- To motivate Norwegian companies to make their R&D efforts more strategic and targeted.
- To encourage greater use of development and research as strategic instruments to improve competitiveness.

The SkatteFUNN scheme is an indirect funding scheme. Support takes the form of a tax deduction up to 20% of the costs related to R&D activity. Expenses must be documented and recorded in the project accounts. The tax deduction is awarded on top of the ordinary deductions. Tax deduction under the SkatteFUNN scheme are based on the following annual limitations per project per company:

- NOK 5,5 million R&D conducted by the company itself (internally or in collaboration with others). 20 % deduction = maximum NOK 1,1 million for SMEs and 18 % for larger companies.
- With a budget framework of over NOK 5,5 million (and maximum NOK 11 million), all expenses between NOK 5,5-11 million must be related to the procurement of R&D services from an approved R&D institution. Up to 20 % deduction = maximum NOK 2,2 million for SMEs and 18 % for larger companies.

Only projects that have been approved by the Research Council (the SkatteFUNN scheme) are eligible for tax deductions. The deduction itself (which may be considered project funding) is taken at the time of the annual tax assessment, and is based on the deductions itemized by the company and verified by an auditor on the RF 1053B tax form. SkatteFUNN normally accepts grant applications from all business enterprises subject to taxation in Norway.

### **3 R&D institutes**

SINTEF Energy Research  
Department of Thermal Energy  
NO-7465, Trondheim  
Norway

Norwegian University of Science and Technology (NTNU)  
Department of Energy and Process Engineering  
NO-7491, Trondheim  
Norway

Norwegian University of Science and Technology (NTNU)  
Department of Chemical Engineering  
NO-7491, Trondheim  
Norway

Institutt for Energiteknikk (IFE)  
NO-40, 2027 Kjeller  
Norway

Paper and Fibre Research Institute (PFI)  
NO-7491, Trondheim  
Norway

## 4 Industries

ENERGOS AS  
Kvenildmyra 5  
N-7072, Heimdal  
Norway

Fiborgtangen Vekst AS  
N-7620, Skogn  
Norway

Agder Biocom AS  
Industriveien 2  
N-4484 Øyestranda  
Norway

## 5 Projects

### *5.1 Gasification for Biofuels (2010-2014)*

Future production of Second Generation Biofuels in Norway requires building of long term competence in thermochemical biomass conversion (i.e. gasification). GasBio aims to fulfill this national need. This project addresses key elements of processes for large scale production of synthetic diesel from wood and forest resources, as well as processes for smaller scale production of biofuels from forest, household and industrial waste fractions. The proposed project is backed by the most central Norwegian industrial enterprises planning to establish future liquid biofuels production plants in Norway, and will be carried out in close cooperation with these. The research group behind the proposal has a solid track record in research on related issues with focus on combustion of biomass, including the leadership of NextGenBioWaste, EU's largest biomass research project ever, as well as the leadership of the recently established National Bioenergy Innovation Centre - CenBio.

### *5.2 Technology development for integrated SOFC, biomass gasification and high temperature gas cleaning - Up-scaling and long term testing (2005 – 2008)*

The EU strategies for Renewable Energy Sources (RES) involve an increase of the use of these resources from 6% (1997) to 12% (2010) and the Electricity from Renewable Energy Resources (RES-E) is subject to an increase from 14% (1997) to 22% (2010). A major part of this increase is planned to come from biomass. The rapid increase in renewable electricity put focus on gasification technologies in particular. To increase the electric efficiency in future gasification plants, a shift from gas engines and gas turbines to high temperature fuel cells is needed. The biomass gasification process must yield highest possible hydrogen content in the producer gas. Hence, steam gasification is the ideal gasification process in combination with fuel cells. However, other compounds in the producer gas, such as H<sub>2</sub>S, are damaging for the SOFC, depending on their levels. This proposal is a continuation of an ongoing project funded by the Research Council of Norway that includes both novel fundamental and applied studies, including laboratory tests of high temperature filtration and SOFC operation performance as well as onsite testing in connection with biomass steam

gasification. As such, the novelty of the ongoing project is quite unique, and will contribute to future development of high efficiency electricity production from biomass. The new project proposes an up-scaling from the 1 kW to a 10 kW SOFC including continuous high temperature filtration. The most problematic compound identified so far is H<sub>2</sub>S and particular attention must be paid to removal of this component. A total system in operation has to be thermally integrated to reduce losses and increase the total efficiency; hence a detailed system study for optimization of the gasifier-high temperature filtration-SOFC system is proposed.

### *5.3 Detailed studies on biomass gasification in a TGA coupled with advanced gas analysis (2008 - 2011)*

Conversion of biomass to a producer gas has many advantages. A gas is easier to handle and transport, it can be cleaned before combustion (i.e. compact cleaning), and it can then be used directly in e.g. engines, gas turbines and fuel cells for electricity generation. Alternatively, it can be processed to produce fuels (e.g. 2nd generation biodiesel), chemicals (e.g. methanol) and high-value niche products (e.g. special waxes). Compared to direct combustion of biomass in boilers and subsequent electricity generation in the typical steam turbines, the achievable net electric efficiency from the producer gas used in engines and gas turbines is significantly higher than for small to medium size steam turbines of equal power output. The theoretical efficiency of a fuel cell is very high compared to the traditional competition. The proposed project includes the use of state of the art experimental set-ups to derive fundamental knowledge of importance for biomass conversion through gasification processes. This will be done mainly through two PhD studies, one on gasification fundamentals and the other on additives and gas conditioning. Important tasks will be:- Set-up, testing, refining and verification of a TGA and advanced gas analysis system- Testing of different biomass fuel types as a function of temperature and heating rate- Testing of different oxidants (steam, oxygen and air) for gasification, and reaction rates analysis- Testing of different additives (Ca and Phosphor based) to decrease the formation of harmful trace species (e.g. H<sub>2</sub>S) causing problems in downstream units (e.g. a fuel cell)- Testing of Non-Thermal Plasma (NTP) for gas conditioning- Analysis of optimum conditions for a hydrogen rich and high quality producer gas production with reduced secondary producer gas conditioning needs- Scaling effect analysis to assess the effect of increased transport limitations with increasing particle and sample size, including comparison with macro-TGA.

### *5.4 Biomass to liquid fuels (2009 – 2013)*

Biomass is the only renewable energy possible to convert into liquid fuels that is compatible with the present infrastructure of the transportation sector. As a means for reducing the CO<sub>2</sub> emissions from the transportation sector, biomass could play an important role in the near future. It is of crucial importance that the biomass used for transportation fuels does not compete with biomass for food and that it is produced in an environmental friendly way. The production of 2nd generation biofuels from wood y biomass uses the whole plant including the lignocellulosic part. One promising way for producing the 2nd generation biofuels is through gasification into synthesis gas and converting the synthesis gas to liquid fuels (diesel) by the Fischer-Tropsch synthesis. Biomass also offers the possibility to produce

other liquid fuels such as ethanol, methanol and even hydrogen. A number of process configurations are possible for the conversion of biomass to liquid fuels. It is, however, important for a future process to modify existing or to develop new technology for the synthesis gas production and the Fischer-Tropsch synthesis. The present proposal is based on many years of experience with similar technology for converting natural gas to liquids and contains research proposals covering crucial areas of catalyst and adsorbent technologies: The reforming of undesired biogas components, the adjustment of the biogas composition, the removal of pollutants, and the Fischer-Tropsch synthesis using biomass-generated syngas.

### *5.5 Lignocellulosics as a basis for second generation biofuels and the future biorefinery (2009 – 2012)*

The Lignoref project is devoted to developing fundamental knowledge about central processes for cost effective conversion of lignocellulosic materials into second generation biofuels and other value-added products. Central processes that will be studied include biomass pretreatment, hydrolysis of biomass polysaccharides, fermentation of sugars derived from biomass and thermochemical conversion of process by-products. The project will study different raw materials, ranging from wood to agro wastes (e.g. bagasse). Mechanisms involved in biomass pretreatment will be studied for three specific production routs; direct hydrolysis during pretreatment, hydrolysis after pretreatment and biomass gasification route. For the two first routs, the project aims at establishing relationships between pre-treatment conditions and the subsequent enzymatic conversion and fermentation. Furthermore, the project also aims at developing enzyme systems that will make the hydrolysis of lignocellulosic polysaccharides more effective as well as microbial strains that will effectively convert lignocellulosic sugars to ethanol. Production of value-added products from process by-products or separated biomass polymers (e.g. hemicelluloses and lignin) by chemical, thermochemical or microbial processes will also be assessed. Furthermore the LTL process for pyrolytic conversion of lignin to bio-oil will be further developed. The project aims at establishing a national knowledge platform on conversion of lignocellulosics. This platform should form a basis for future production of second generation biofuels and green chemicals in a biorefinery concept.

## **6 Implementations**

| <b>Location</b> | <b>Type</b>             | <b>Capacity (thermal)/year</b> | <b>Feed</b> | <b>Status</b> |
|-----------------|-------------------------|--------------------------------|-------------|---------------|
| Ranheim         | Gasification/combustion | 25 GWh                         | Waste       | Operational   |
| Averøy          | Gasification/combustion | 69 GWh                         | Waste       | Operational   |
| Hurum           | Gasification/combustion | 105 GWh                        | Waste       | Operational   |
| Forus           | Gasification/combustion | 105 GWh                        | Waste       | Operational   |
| Sarpsborg       | Gasification/combustion | 210 GWh                        | Waste       | Operational   |
| Sarpsborg       | Gasification/combustion | 256 GWh                        | Waste       | Operational   |