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SCA enhances efficiency at Östrand pulp mill

Production of kraft pulp at Östrand's pulp mill in Timrå, Sweden, currently amounts to 395,000 tons and is based mainly on raw materials from the SCA Group's own forests. SCA's annual consumption of pulp amounts to 1.5 million tons, most of which in the hygiene products operations. The Group purchases more than 1 million ton of pulp annually on the market.

The soda recovery boiler at the mill was installed 25 years ago and was dimensioned at the time for considerably lower production than today. Continued operation of the boiler requires extensive repairs and will lead to that production over the long term is reduced. Accordingly, SCA has decided to install a new, energy efficient recovery boiler at the mill. The new boiler will facilitate an immediate increase in pulp production to the permitted level, 420,000 tons, and combined with a new steam turbine will be dimensioned for annual production of nearly 0.5 TWh of electricity based on biofuel.

The investment amounts to SEK 1.6 billion and is included in the normal budget for current capital expenditures in 2005 and 2006 (which amounts to about 5% of sales). It is assessed that the increased production of pulp and electrical energy will offset the increased depreciation and capital costs. The boiler has many positive effects on several environmental parameters and will be placed in operation in the autumn of 2006.

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