

## News Release

For Immediate Release

### **Governments of Canada and Quebec Support Innovative Renewable Fuel Oil Project**

July 13, 2016

Port-Cartier, Quebec

Natural Resources Canada

Support for clean technology innovation is vital to growing Canada's economy and addressing climate change. With its abundance of renewable biomass, Canada has the potential to develop a strong and globally competitive bioenergy sector.

The Governments of Canada and Quebec will provide \$76.5 million in funding to AE Côte-Nord Bioenergy Canada Inc. for the production of renewable fuel oil from forest residues at its Port-Cartier facility. Canada's Minister of Natural Resources, the Honourable Jim Carr, and Laurent Lessard, Quebec's Minister of Forests, Wildlife and Parks, made the announcement today in Port-Cartier.

The Port-Cartier plant will be the first commercial-scale facility of this kind in Quebec. The goal of the project is to convert forest residues into 40 million litres of renewable fuel oil per year. When upgraded into transportation fuels, this will remove up to 70,000 tonnes of CO<sub>2</sub>-equivalent emissions per year. Production of renewable fuel oil is set to begin in 2017.

The Government of Canada is supporting the project through a \$27-million investment from Sustainable Development Technology Canada and \$17.5 million from Natural Resources Canada's Investments in Forest Industry Transformation program.

The Government of Quebec is contributing \$32 million to the project, including \$10 million from Investissement Québec. In March 2016, to ensure the fibre supply for the project, the Quebec Ministry of Forests, Wildlife and Parks reserved 170,000 green tonnes of residues from government forests for the plant.

Renewable fuel oil is a cleaner alternative to conventional fossil fuels; it reduces greenhouse gas emissions by between 70 to 90 percent compared with fossil fuels and has a multitude of uses, including for heating and as a renewable feedstock for refineries for the production of transportation fuels.

### **Quotes**

"Today's announcement is an important step in advancing Canada's bioeconomy. By increasing the commercial availability of renewable fuel oil, which can be used as a clean replacement for fossil fuels, this project will reduce greenhouse gas emissions and create jobs in the local economy. This investment demonstrates our leadership in supporting this strong example of clean-technology innovation."

*Jim Carr*  
*Canada's Minister of Natural Resources*

"Quebec works constantly to play a leadership role in forest innovation. Its financial support will grow the regional economy through the development of bioenergy produced with wood fibre from sustainably managed forests. Today's announcement is perfectly aligned with the Government of Quebec's commitment to support the emergence of a new industry, benefiting our workers, our regions and Quebec."

*Laurent Lessard*  
*Quebec Minister of Forests, Wildlife and Parks*

"We are pleased to initiate construction of the Côte-Nord project. Our RTP® technology was born and developed in Canada, and we are proud to see that this important project, the first commercial facility designed and optimized for fuel production, will be established in Canada with the support of IFIT, SDTC and Investissement Québec."

*Dr. Robert Graham  
Chairman, Ensyn Corporation*

"Groupe Rémabec is proud to be associated with this project, which allows us to bring our business model and our forest practices to a new level. By developing a forest resource that was untapped until now, we're creating a project that is of high added value and unaffected by various fluctuations that could hinder the forest sector of the North Shore. For Groupe Rémabec, this is a unique opportunity to turn to investment and innovation in order to strengthen our foundations in Port-Cartier and remain a leader in Quebec forestry."

*Réjean Paré  
President and Chief of Operations, Groupe Rémabec*

"This project, a first in the country, allows Canada and Quebec to position them as leaders in the field of renewable energy production, while addressing climate change. Indeed, the use of our renewable biofuel as a substitute for fossil energy will generate an annual reduction in greenhouse gas emissions of up to 70 000 tonnes CO<sub>2</sub>. With the huge potential already presented by the U.S. market and our desire to develop the Quebec and Canadian markets, AE Côte-Nord Bioenergy is positioned to succeed in the new, promising industry of biofuels. "

*Serge Mercier  
President of AE Côte-Nord Bioenergy and Vice President of Finance and Business Development at Arbec Forest Products*

"Sustainable Development Technology Canada is pleased to be a partner in this important project. This technology will create jobs, deliver significant environmental benefits and advance Canada's position as a leader in clean tech and innovation."

*Leah Lawrence  
President and CEO, Sustainable Development Technology Canada*

## **Associated Links**

IFIT Program <http://www.nrcan.gc.ca/forests/federal-programs/13139>  
SDTC [URL to be provided]  
Government of Quebec [URL to be provided]

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