

# BUSINESS VANCOUVER

IN

LOCAL BUSINESS INTELLIGENCE

May 22-28, 2007 • Issue 917

May 22-28, 2007 Business in Vancouver

## Nexterra rolls out plan for biomass energy network

Alliance with Calgary's Pristine Power to establish 15 plants fuelled by trees killed in pine beetle infestation

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Entrepreneurs are beating an alternative energy path along the mountain pine beetle's destructive swathe through B.C.'s Interior forests.

As massive tracts of forest fall to the beetle infestation, enterprising solutions continue to work their way out of the woodwork, including an ambitious \$500 million plan to convert the damaged wood and sawmill residue into "clean" electricity through a network of small-scale power plants.

"We think it's a real winner from a number of perspectives," said Jonathan Rhone, whose Vancouver company has formed a strategic alliance with a Calgary-based independent power producer to develop a network of approximately 15 plants.

In an interview from Calgary, Rhone said Nexterra Energy Corp. will provide its advanced gasification system technology for the proposed plants that will be financed, owned and operated by Pristine Power Inc.

The alliance will reach out to

Interior communities and sawmills to join what it called a "precedent-setting initiative" to create more value from pine-beetle ravaged forest resources by generating up to 200 megawatts of clean, renewable energy.

The Nexterra-Pristine plan is in response to B.C.'s recently updated energy plan and a subsequent BC Hydro request earlier this year for expressions of interest to assess the potential of using wood fibre as an

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— Elisha Moreno, BC Hydro

energy source.

Hydro is sifting through approximately 100 proposals.

"What's really the best part about all of the responses we're getting is that they're a variety of different



Wood wins: Nexterra boss Jonathan Rhone: "we think [the company's plan to build wood burning energy plants, above] is a real winner"

proponents that have stepped up, everything from a First Nations band to a municipality to a large forest corporation," said Hydro spokeswoman Elisha Moreno

The proposed projects would use either trees killed by the beetle or sawmill residue.

However, for them to proceed, Hydro would first need to meet with all of the proponents — Moreno expects this to take place within the next two months — to determine details for the design of a formal power call process later this year.

Nexterra, which is majority-owned by Calgary-based investment management company ARC Financial Corp., has already built and installed a biomass gasification plant in Kamloops for forest products company Tolko Industries Ltd. It's hoping the development of a power network with Pristine would accelerate marketplace acceptance of its technology.

"We have a number of projects that are going to go to contract before the end of this year," said Rhone.

"We're really at that point in the growth of the company where the technology has been proven commercially and we're witnessing a rapid upswing in demand. So it's a very exciting time for us."

By distributing the small plants across B.C., near sawmills to enable ready access to wood residue, the

network will also be dispersing economic benefits, he said, in the form of construction and operational jobs.

He added that the emissions from using wood fuel would be extremely low.

"It's a very elegant concept, and we think it's going to have wide-scale appeal."

While Pristine has no projects operating, it has four under development, including as a partner in a \$270 million biomass power generation project accepted in Hydro's 2006 call for power, said Harvie Campbell, a founding member and executive vice-president of the privately-held company, in which Fort Chicago Energy Partners LP has a 20% interest.

Campbell, who was vice-president of business development for Westcoast Power Inc. in Vancouver before joining Pristine in 2002, said Pristine is "actively" in discussions with operators of about a dozen B.C. sawmills to set up power plants at their sites.

"With the combination of these small pockets of biomass that exist literally all over the province and the technology to turn it around, that was the genesis of the network," he said.

Campbell said Pristine has access to capital sources to fund the massive undertaking.

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