

The logo for Kamloops The Daily News. At the top, the word "KAMLOOPS" is written in a red, serif font. Below it, the words "The Daily News" are written in a large, blue, sans-serif font with a slight 3D effect. The background of the logo features a stylized yellow sun partially obscured by a grey mountain range.

KAMLOOPS The Daily News

Tuesday, July 25, 2006

Gasification saves millions for Heffley mill

A high-tech gasification plant at Tolko's Heffley Creek mill is saving millions of dollars and reducing emission of greenhouse gases using technology pioneered here.

"Success of the gasification plant completed this year bodes well for expanded use of gasification of wood waste in other B.C. mills," said Jonathan Rhone, president of Nexterra Energy Corp.

Nexterra and Tolko Industries Ltd. announced completion of the Heffley gasification plant that turns bark and green wood into energy. Tolko estimates it will save \$1.5 million a year in reduced natural gas consumption, equivalent to the amount used to heat 1,900 homes. The energy is used to produce hot water for log conditioning and to dry veneer.

The energy system is called gasification, a process that uses heat to convert carbon-based fuel

into a gas form. That gas is then burned to create energy. Nexterra built a \$1-million plant in Kamloops in 2003 to test technology it acquired from other patent holders. The Tolko plant is the first commercial application by the company.

Rhone said success of the plant has economic and environmental benefits. The reduction in greenhouse gases from reduced burning of natural gas is equivalent to taking about 3,000 cars off the road.

"It's been running since May and Tolko is pleased with the performance." Tolko's regional manager Jim Baskerville called the gasifier system "user-friendly and simple to operate." With huge increases in natural gas costs since 1999, Tolko is looking at using the technology at its mills elsewhere.

Using biomass as a replacement for a fossil fuel, in

this case natural gas, gives the forest industry ability to reduce greenhouse gases and improve competitiveness.

Since announcement of the project here last year Nexterra has struck deals with Johnson Controls for use of gasification in heating institutional buildings in the United States and with Weyerhaeuser Co. for possible use for direct fire in its Kamloops Pulp lime kiln. "It creates opportunity for exports of our system, that's at least partly manufactured in B.C. and Kamloops," Rhone said.

The plant is meeting provincial emissions standards. While the technology produces more particulate than does natural gas, Rhone said that advantage may be temporary. "As we undertake even more investment we're targeting a natural gas mission standard for syngas. ... We think we can get there in a few years."