

KAMLOOPS THIS WEEK

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Tolko takes on gasification

Energy source will save \$1.5 million yearly

by MARKUS ERMISCH
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The rising price of natural gas is forcing forestry companies to search for cheaper energy sources. In Kamloops, two companies have found the answer to their energy woes right on their doorstep.

On Monday, Tolko Industries Ltd. announced it is switching a part of its Heffley Creek plant to gasification, which will save the Vernon-based company more than \$1.5 million annually.

This makes the local plant the first Tolko mill to use this technology.

Gasification means burning wood residue, a byproduct of the veneer plant, to generate thermal energy to heat the veneer drier.

Traditionally, Tolko has used natural gas for this process and burned about \$3.75 million worth of the fossil fuel every year.

"The energy portions of our business are fairly substantial now with natural-gas costs having increased," said Jim Baskerville, Tolko's regional manager, noting the price of natural gas will continue to rise.

Therefore, he said, Tolko, has an incentive to reduce its reliance on natural gas.

Baskerville said switching to burning wood residue, which until now has been sold for a nominal amount, gives the company an advantage over its competitors.

Other forestry companies, however, are planning to use the same technology.

In May, Nexterra Energy Corp., the company that developed the gasification technology, reached an agreement with the Kamloops Weyerhaeuser pulp mill to verify that gasification would work for the mill's lime kilns.

Nexterra spokesman Raymond McAllister said his company doesn't yet have a commitment from Weyerhaeuser that it will actually buy the technology.

He said Nexterra will



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Tolko regional manager**



The Nexterra gasification plant at the Tolko mill in Heffley Creek. Next up: a possible addition to the Weyerhaeuser pulp mill in Kamloops.

spend the next six months to demonstrate the technology to Weyerhaeuser at its Kamloops product development centre.

If Nexterra succeeds in convincing Weyerhaeuser to switch from natural gas to burning wood residue and thus set an example for other pulp mills, it would be a boon for the Vancouver-based company — North America's embattled pulp and paper industry is burning \$8 billion US every year.

Mills across the continent, including Weyerhaeuser in Kamloops, are facing stiff competition from low-cost pulp producers in the Third World and are searching for ways to slash costs.

Gasification also has environmental benefits.

According to Nexterra, the technology now used at the Heffley Creek Tolko plant will cut green-

house-gas emissions in Kamloops by about 12,000 tonnes per year.

This is the equivalent of taking about 3,000 cars off the road.

Should Weyerhaeuser decide to use the same technology in Kamloops, greenhouse-gas emissions would be reduced by a further 25,000 tonnes, which is the equivalent of heating 4,000 homes.

The federal government has supported Nexterra's development of the gasification technology with about \$1 million through TEAM, which stands for Technology Early Action Measures.

It is an investment program aimed at promoting the development of technologies that reduce greenhouse-gas emissions. The provincial government has contributed a smaller amount.