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## **BC Hydro supports Howe Sound Pulp and Paper's energy efficiency and clean power generation plans**

**GIBSONS, B.C.** – Howe Sound Pulp and Paper and BC Hydro have reached an agreement under BC Hydro's Integrated Power Offer that will not only reduce the mill's electricity consumption, but also enable the mill to sell surplus clean electricity to BC Hydro, the companies announced today.

BC Hydro's Integrated Power Offer helped the Howe Sound Pulp and Paper Limited Partnership identify renewable power generation and energy conservation opportunities that enabled the mill to qualify for \$36.7 million in Pulp and Paper Green Transformation Program funding from Natural Resources Canada.

"With these funds and the support we are receiving from BC Hydro, we will be making continuous improvements to our mill's energy management and energy efficiency that will enable us to become a significant renewable clean power generator," said Mac Palmiere, President and Chief Executive Officer of Howe Sound Pulp and Paper. "The addition of a third product – electricity – transforms our business and enhances our viability for years to come."

The energy-efficiency upgrades will enable the mill to save approximately 65 gigawatt hours of electricity every year. In addition, a refurbished boiler at the mill will enable it to operate its generators at a higher capacity using 100 per cent biomass fuel, resulting in the generation and sale of 400 gigawatt hours per year of clean electricity. BC Hydro will purchase all of the electricity produced as a result of the boiler upgrade – enough power for about 36,000 homes.

By enabling the efficient use of biomass fuel, the boiler upgrade will also reduce the mill's natural gas consumption by 6.5 million cubic meters annually and significantly reduce the mill's greenhouse gas emissions by more than 12,000 tonnes per year, which is equivalent to the yearly emissions from 3,000 cars.

BC Hydro and the Minister of Energy, Mines and Petroleum Resources congratulated Howe Sound Pulp and Paper today for its commitment to adopting energy efficiency measures and clean energy generation that will help the mill to improve its competitive position.

"On behalf of the Province of British Columbia, I would like to commend Howe Sound Pulp and Paper for taking action on energy efficiency and for taking the necessary steps to become a clean energy generator and the Government of Canada for their continuing constructive partnership with B.C.," said Bill Bennett, Minister of Energy, Mines and Petroleum Resources. "This will support the Province's Clean Energy Act goals of self-sufficiency by 2016 and help us meet the province's incremental electricity needs through efficiency and conservation by 2020."

“We are very happy that BC Hydro's Integrated Power Offer was able to play a part in enabling this significant upgrade to the Howe Sound Pulp and Paper mill. This is great news for a long-term customer of ours, and we look forward to continuing to work very closely with the mill in optimizing renewable power generation and energy efficiency improvements,” said BC Hydro President and CEO Dave Cobb. “The Integrated Power Offer is an approach that we hope to extend to other industries and customer groups, so they can become more productive and competitive by combining efficiency and power generation.”

BC Hydro’s unique Integrated Power Offer approach gives customers access to BC Hydro technical expertise through a single point of contact, so they can assemble an integrated portfolio of incentives and long-term contracts that optimize their pulp mills' energy efficiency and renewable energy production at the same time.

BC Hydro initially made the Integrated Power Offer available to its pulp and paper customers because of that sector’s immediate opportunity to capture federal Green Transformation Program funding. Over the longer term, BC Hydro intends to explore an integrated offer for other industrial customers and possibly other customer classes.

To learn more about BC Hydro’s Integrated Power Offer, go to [www.bchydro.com/powersmart/industrial/industrial\\_transmission/integrated\\_power\\_offer.html](http://www.bchydro.com/powersmart/industrial/industrial_transmission/integrated_power_offer.html)

### **About Howe Sound Pulp and Paper**

Howe Sound Pulp and Paper operates a kraft pulp and paper mill at Port Mellon, on B.C.’s Sunshine Coast, with an annual production capacity of 400,000 tonnes of bleached kraft tonnes and 230,000 tonnes of mechanical printing papers. The company employs 450 people and is the backbone of the lower Sunshine Coast’s economy. Howe Sound Pulp and Paper is equally owned by Vancouver based Canfor Corporation and Oji Paper Co. Ltd. of Tokyo.

### **About BC Hydro**

BC Hydro is a commercial Crown corporation owned by the Province of British Columbia. BC Hydro is one of North America’s leading providers of clean, renewable energy and the largest electrical utility in British Columbia, serving approximately 95 per cent of the province’s population and 1.8 million customers. The corporation is responsible for reliably generating between 42,000 and 52,000 gigawatt hours of electricity annually. Electricity is delivered to customers through a network of more than 18,000 kilometres of transmission lines and 57,000 kilometres of distribution lines.

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