

## **Another Canadian Utility to Develop RNG Supply**

**July 12, 2021**

Alberta gas and power utility ATCO said July 8 it would develop the province's first renewable natural gas (RNG) production facility, adding Alberta to the growing list of provinces pursuing RNG supply projects.

Working with Alberta-based Future Fuel, ATCO Energy Solutions will recommission an idle biogas facility near Vegreville, southeast of Edmonton, to convert organic waste from nearby municipalities and agricultural waste from local feed-lot operators into about 230,000 GJ/yr of RNG, which will then be injected into ATCO's natural gas grid under a long-term sales contract.

The produced RNG is enough to meet the annual energy demand of 2,500 homes and will avoid up to 20,000 mt/yr of CO<sub>2</sub>-equivalent emissions, ATCO said.

"This facility is an important investment in the advancement of ATCO's clean fuels strategy," ATCO Energy Solutions president Bob Jones said. "ATCO is leading the shift to a lower-carbon energy system by enabling our customers' energy transition to cleaner fuels such as renewable natural gas and hydrogen."

Future Fuel director Brian Nilsson said the project will repurpose one of its idle biogas units in Two Hill County to add organics processing capacity in the region and give both municipalities and the confined livestock feeding industry options to process their waste and reduce emissions.

Emissions Reduction Alberta, a government agency, has committed C\$7.9mn (US\$6.3mn) to the project through its on-going Natural Gas Challenge. The funding will come from Alberta's Technology Innovation and Emissions Reduction (TIER) fund, which collects levies from the province's largest CO<sub>2</sub>emitters.

Canada currently produces about 6 PJ/yr of RNG, but has the potential to generate more than 150 PJ/yr. Along with ATCO, FortisBC is developing RNG in British Columbia, Enbridge has several projects underway in Ontario, and Energir and Gazifere each have a mandate to supply 10% RNG to the Quebec gas grid by 2030.

The ATCO/Future Fuel project is now in the detailed engineering phase, although some construction could begin this year. Full commercial operations are expected by late 2022.