

## Alberta's carbon levy drives renewable fuel innovation to diversify economy, create jobs and reduce emissions

March 10, 2016

Alberta's price on carbon is resulting in an investment to transform plant oils into renewable transportation fuel manufactured in Alberta.

Edmonton-based SBI BioEnergy has developed a technology that reduces greenhouse gas emissions by creating a renewable fuel that is virtually indistinguishable from diesel. Using revenue from the price Alberta's large emitters pay for releasing greenhouse gases, the Climate Change and Emissions Management Corporation (CCEMC) has earmarked a \$10 million contribution for SBI to build a \$20 million facility to continue this work.

"We are putting Alberta's current carbon levy to work; diversifying our economy, creating jobs and reducing greenhouse gas emissions. This project is an example of the kind of local innovation that will help position Alberta as a global leader in renewable energy under our Climate Leadership Plan."

- Rachel Notley, Premier

"Provincial support and innovation investment have made the difference in allowing SBI to demonstrate its ability to produce clean, sustainable fuels at a large scale. When we move to full production, it will mark a turning point for Alberta. Instead of having to import renewable fuels for blending with conventional fuels, we will be able to refine these right here at home at relatively low cost."

- Dr. Inder Singh, President and CEO, SBI BioEnergy

"With made-in-Edmonton technology, SBI is a pioneer — demonstrating that, through continuous innovation, our city's resilience, diversification and air quality can be enhanced. Looking back from last summer's groundbreaking, it is exciting to see how far SBI has come."

- Don Iveson, Mayor, City of Edmonton

With this investment, SBI will be able to produce 10 million litres of renewable diesel fuel annually. The project will generate 35 jobs in the Edmonton region and have an estimated greenhouse gas emissions reduction of more than 112,000 tonnes by 2020 — the equivalent of removing 23,000 cars off the road for one year.

### Related information

[Climate Change and Emissions Management Corporation](#)

[Alberta Innovates Bio Solutions](#)

[SBI BioEnergy](#)

### Media inquiries

Cheryl Oates  
[premiers.communications@gov.ab.ca](mailto:premiers.communications@gov.ab.ca)  
780-422-4905  
Media Relations  
Office of the Premier

Dr. Inder Singh  
[ips@sbibioenergy.com](mailto:ips@sbibioenergy.com)  
780-413-9832  
President and CEO  
SBI BioEnergy Inc.

Celia Sollows  
[celia@ccemc.ca](mailto:celia@ccemc.ca)  
780-239-4150  
Communications  
Climate Change and Emissions Management Corporation

Julia Necheff  
[julia.necheff@albertainnovates.ca](mailto:julia.necheff@albertainnovates.ca)  
780-918-1625  
Communications Specialist  
Alberta Innovates Bio Solutions

This support works in concert with Alberta's Renewable Fuels Standard which requires commercial fuel producers to blend renewable products into their fuels. SBI's facility strengthens Alberta's expanding industrial bio-product sector and gives Alberta farmers a new market for off-grade canola.

"CCEMC is committed to identifying and developing solutions that will accelerate the transition to a future with lower greenhouse gas emissions. The SBI BioEnergy project is a great example of Alberta based innovation -- we are creating the clean technologies the world needs while diversifying our economy."

- Steve MacDonald, CEO, Climate Change and Emissions Management Corporation

SBI BioEnergy also received support from other organizations in Alberta's innovation chain. Alberta Innovates Bio Solutions committed \$1.4 million in funding to SBI in 2013 to support technology development. Alberta Innovates Technology Futures provided about \$460,000 in funding to SBI, as well as mentorship, lab and storage space.

"The innovation system has worked collaboratively to bring SBI's environmentally friendly, renewable fuels to the point where it can be demonstrated they are commercially viable. This technology can add value to Alberta's agriculture sector by utilizing non-food farm products as the feedstock."

- Steve Price, CEO, Alberta Innovates Bio Solutions

As part of government's Climate Leadership Plan, the Alberta government is expanding the carbon price. Starting in 2017, it will be economy-wide, and transportation and heating fuels will be subject to a carbon price of \$20 per tonne, rising to \$30 per tonne the following year. Large emitters pay \$20 per tonne today and will pay \$30 per tonne in 2017.

The revenue from the carbon price will directly benefit Albertans through investments to reduce pollution, such as clean research and technology. It will also go towards an adjustment program to assist coal-dependent communities, Indigenous communities, low-income families and small businesses to adjust to and succeed in a diversified, lower carbon economy.