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Pinnacle, Tolko partner to build northern Alberta industrial pellet plant

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By Maria Church

Pinnacle Renewable Energy and Tolko Industries are partnering to build a new industrial wood pellet plant in High Level, Alta.

The companies announced the limited partnership agreement yesterday, which will see each own a 50 per cent share of the new \$54-million plant, Northern Pellet Limited Partnership.

The plant will source high-quality wood fibre from Tolko's existing sawmill in High Level, producing up to 200,000 tonnes of pellets annually. The facility will be built on Tolko land, with construction to begin shortly.

"We look forward to expanding our business relationship with Tolko, growing our production platform in Alberta and further diversifying our regional fibre supply," Pinnacle CEO Robert McCurdy said. "We have established a strong working relationship with Tolko through the construction and operation of our jointly-owned Lavington, B.C. production facility, which was completed safely, on-time and on-budget. Our partnership with Tolko offers Pinnacle the ability to diversify the business further and position the company well to implement our growth strategies."

Pinnacle will operate and manage the facility, while Tolko will supply heat energy and fibre to the facility under long-term supply agreements.

"We're excited to once again partner with Pinnacle Renewable Energy on a project that promises to bring economic, environmental, and employment benefits to both companies and the community of High Level," Tolko president and CEO Brad Thorlakson said. "When commissioned, Northern Pellet Limited will reduce our carbon footprint, secure and increase full-time permanent employment opportunities in the area, and allow us to use all our bark, shavings, and sawdust to produce pellets for growing markets. We look forward to working with Pinnacle on the project and to a successful, on-time, on-budget completion, with start-up in 2020."



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