
NEWS RELEASE

For Immediate Release
2017JTT0150-001792
Oct. 20, 2017

Ministry of Jobs, Trade and Technology
Ministry of Forests, Lands, Natural Resource Operations
and Rural Development

International investment in Prince George energy producer welcomed by Province

PRINCE GEORGE – The Government of British Columbia is celebrating a major investment in a Prince George forestry manufacturing facility by Sumitomo Corporation.

Sumitomo Corporation of Japan recently acquired a 48% stake in Pacific BioEnergy, the second-largest manufacturer of wood pellets in Canada. Pacific BioEnergy, which employs 55 people at its facility in Prince George and generates another 50 indirect jobs, produces about 550,000 tonnes of industrial wood pellets annually.

“This investment by Sumitomo shows once again that B.C.’s manufacturing sector is recognized around the world for its ingenuity and innovation – in this case, turning wood waste into a clean and valuable energy source,” said Minister of Jobs, Trade and Technology Bruce Ralston. “I have no doubt that Pacific BioEnergy will continue to expand and create more jobs for British Columbians.”

Today, Doug Donaldson, Minister of Forests, Lands, Natural Resource Operations and Rural Development, toured the Prince George facility and met with officials from Pacific BioEnergy and Sumitomo. Donaldson’s visit coincides with Manufacturing Week in B.C. (Oct. 15 - 21), which is held each October to boost the public profile of the manufacturing sector and its contributions to the B.C. economy.

“The production of power out of residual fibre from sawmilling and timber harvesting is one example of the diverse ways B.C. jobs are being created from B.C.’s forests,” said Donaldson. “This investment strengthens B.C.’s relationship with Japan, leading to increased production and export of pellets to Japan and the rest of Asia through Sumitomo’s global network.”

Sumitomo’s investment will help Pacific BioEnergy continue to grow while providing employment and economic development benefits in B.C.’s Central and Northern Interior regions. Sumitomo Corporation owns several power-generation plants in Japan and sees this investment as a way to secure a long-term supply of renewable fuel. The company has been importing B.C. wood pellets for power generation since 2008.

“Pacific BioEnergy has been a reliable producer of industrial-grade and volume wood-pellet fuel for more than 20 years,” said Katsunori Takamitsu, Sumitomo’s general manager, Biomass Trading and Investment. “Our company’s investment in Pacific BioEnergy is beneficial to our ability to provide a high-quality and consistent supply to the Japanese power-generating industry. At the same time, Sumitomo’s investment in Pacific BioEnergy increases its capability to grow and expand its presence in the rapidly developing Japanese market.”

Pellets, which are produced from wood waste such as logging debris, bark, sawdust and wood

shavings – materials that were formerly burned and released into the air shed – are used as a clean, renewable energy source with a growing global demand.

“With the increasing importance of the Pacific Rim bioenergy markets, Pacific BioEnergy welcomes the acquisition of 48% of our company by Sumitomo Corporation,” said Don Steele, CEO of Pacific BioEnergy. “We see this Sumitomo investment as a vote of confidence in our vision to continue to build Pacific BioEnergy and the biomass energy sector in British Columbia.”

Pacific BioEnergy was founded in 1994, expanded its Prince George plant in 2008 and has exported about 3.5 million tonnes of wood pellets to Europe and Asia. The company also partners with the Nazko First Nation in Quesnel to operate a biomass pre-processing facility that converts low-grade timber into products including sellable saw logs and high-quality pulp chips. The company also has a First Nations partnership in the Kispiox and Kitwanga region west of Prince George, to supply beetle-kill timber for pellet production.

The provincial government has a B.C. Trade and Investment office in Tokyo that plays a key role in facilitating partnerships between companies in B.C. and Japan.

Quick Facts:

- Manufacturing is a significant economic driver for the Province, generating \$16 billion for B.C.’s economy and supporting approximately 170,000 jobs.
- In 2016, B.C. exported \$319 million in wood pellets worldwide.
- Manufacturing wages are 15.5% higher than the overall average for all industries.
- There are more than 7,200 manufacturing companies in British Columbia.
- The manufacturing sector’s focus on export markets and innovation supports job growth across every manufacturing sub-sector in the province, including aerospace, marine, pharmaceuticals, agriculture and apparel.
- Manufactured goods account for 58% of B.C.’s total goods exports to international destinations.
- Forestry accounts for 35% of all goods exported from B.C. and, in 2016, the value of B.C. forest product exports was \$14 billion.
- In 2016, B.C.’s forest sector provided 60,000 direct jobs.
- Manufacturing Week is held in conjunction with Canadian Manufacturers and Exporters’ Manufacturing Month and highlights the role B.C.’s manufacturers play in creating well-paying jobs throughout the province.

Learn More:

To learn more about manufacturing in British Columbia, visit:

www2.gov.bc.ca/gov/content/employment-business/economic-development/industry/manufacturing

For more information about Manufacturing Month in B.C., visit the Canadian Manufacturers and Exporters website: <http://bc.cme-mec.ca/british-columbia/events/manufacturing-month.html>

To learn more about Pacific BioEnergy, visit: <http://www.pacificbioenergy.ca/>

To learn more about Sumitomo Corporation visit: <http://www.sumitomocorp.co.jp/english/>

Contact:

Media Relations
Ministry of Jobs, Trade and Technology
250 889-1121

Connect with the Province of B.C. at: www.gov.bc.ca/connect