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## Locally produced peat pellets heading to China



Frank Gale

*Slava Golod, left, project manager for Peat Resources Limited in Stephenville, left, and Jerome Penney of Keltic Transportation Inc., the company organizing the transportation of peat pellets to China, spread a tarp over product bound for the Asian.*

STEPHENVILLE — Peat Resources Ltd. is shipping a quantity of pellets to China in hopes of securing the essential market to substantiate a major production facility in the Stephenville area.

Peter Telford, president of the peat pellet producing company based in Toronto, Ont., said a 20-tonne shipment was expected to be trucked from the Stephenville pilot plant Thursday, enroute to Halifax, N.S., to be shipped to the Asian country.

He said the company has been working with a group in China to attract interest in the alternative fuel source in the hope it will lead to a market sufficient enough to quantify a 200,000-tonne per year peat facility near Stephenville. He said there are a number of interested parties in China, who will use the pellets to test the market them as an alternative fuel source.

“They are looking at them for a replacement for coal,” Telford said in a recent telephone interview. “There is a real push in China right now to look for cleaner energy sources and green energy sources, and they are very interested in looking at the potential resources in Canada for this type of fuel.”

Earlier this year, Peat Resources submitted a business plan to the provincial government pertaining to its desire to establish a large production facility near Stephenville, one of the places in the province which the company owns rights to peat-rich land.

Telford said previous trials at Corner Brook Pulp and Paper were determined successful, with the mill informing them it would utilize in the vicinity of 40,000 tonnes of pellets. He said the proposed large-scale production facility would need to sell at least 200,000 tonnes per year to make it economically viable.

Therefore, Telford is hoping for positive results in China.

“If the economics can be worked out, because it is obviously a long way to ship the product, it is a huge positive move for the company to develop these large overseas markets,” he said.

There is currently a 5,000-tonne per year pilot plant in Stephenville, which is being utilized to produce pellets for marketing the product and making advancements in technology.