

Calgary's Genalta to convert Husky waste to power

\$9-million project uses oil battery gas to make megawatts

BY DAN HEALING, CALGARY HERALD OCTOBER 11, 2011



Solution gas flaring has been greatly reduced in Alberta. Genalta Power has a deal to turn more of the waste fuel into electricity.

Photograph by: Ed Kaiser, Ed Kaiser

CALGARY — A private Calgary green energy company has struck a deal with Husky Energy Inc. to turn flared gas from an oil battery in northwestern Alberta into enough electricity to power a small town.

Genalta Power Inc. announced Tuesday that its three-megawatt plant will burn unprocessed natural gas that is currently being burned to produce nearly enough power for all the homes in nearby Peace River.

Chief executive Graham Illingworth said the Husky project will cost about \$9 million and is the third the three-year-old company has agreed to build so far.

“Instead of flaring the gas we’re going to recover it and make power out of it,” he said. “It’s raw gas. We’ve got some technology that will work within quite a broad wide range of gas qualities.”

The power plant will be situated on Husky’s Cadotte oil battery site but will be built, owned and operated by Genalta. It’s expected to be operational by next June.

Husky spokesman Adam Sparkes said the Cadotte heavy oil battery has been in production since 2007. He said the project flares between 750,000 and one million cubic feet of gas produced with the oil per day.

“Putting it in a pipeline for sale ... is not an economic option for us because there’s no sale pipeline close enough to us,” he said. “This provides us with a sensible economic option.”

Sparkes said Husky will buy the bulk of the power for use at the site and the rest will go into the provincial grid.

In a report last November, the Alberta Energy and Resources Conservation Board reported solution gas flaring in Alberta had been reduced by 80 per cent between 1996 and 2009 and venting had been reduced by 53 per cent since 2000.

Although the industry captured 96 per cent of solution gas in 2009, the ERCB noted, 21 billion cubic feet was flared or vented.

Illingworth said two other projects, both with oil and gas producer Pengrowth Energy Corp. of Calgary, will also come on stream next year.

“We’ll have at least three projects on stream next year,” he said. “It take a tremendous amount of engineering to get to it.

“In the broadest scope, there are four different technologies: one for waste gas, waste heat, waste liquid pressure and waste gas pressure,” he said.

A project at Pengrowth’s Olds sour gas plant, backed with \$1.9 million from Alberta’s climate change technology fund, seeks to generate one megawatt of electrical power by utilizing waste pressure generated in the plant’s sulphur recovery process.

The other is to generate two megawatts of power using waste heat from two turbines at Pengrowth’s Judy Creek works in the Swan Hills area of northern Alberta.

In both cases, Genalta is installing and operating the power plants in exchange for a long term power purchase agreement for on-site power use.

Illingworth said the company is working with Husky and Pengrowth to find other waste energy projects.

Genalta is partially owned by energy giant Enbridge Inc.

dhealing@calgaryherald.com

