



February 20, 2024

City of Prince George

**RE: Federal Low Carbon Economy Challenge | Letter of Support in favour of
Tidewater Renewables Ltd.**

Dear Mayor and Council,

Tidewater Renewables Ltd. ("Tidewater") respectfully requests a formal letter of support from the Prince George Municipal Government in relation to the proposed addition of carbon capture technology at our Prince George Hydrogen Derived Renewable Diesel Complex ("HDRD Complex").

Contingent on favourable project economics and available capital support, Tidewater is proposing the addition of commercially available carbon capture technology at the HDRD Complex in order to further lower the carbon intensity of the renewable diesel produced at the facility.

Preliminary studies suggest that the addition of carbon capture technology at the HDRD Complex will allow for the capture approximately 52,000 tonnes of CO₂ per year, representing an estimated over 50% reduction in emissions from the facility, which is already industry leading.

Capital expenditures for the project are estimated to be in the order of \$120 million dollars, of which approximately \$60 million will be invested into Prince George's local economy through construction contracting. Start-up of the capture operations is currently forecasted for 2027.

Tidewater estimates that the project will require 220,000 person-hours for design, engineering, construction, and commissioning. Assuming a full-time equivalent job is 2,080 hours per year, the project would create an estimated 105 full-time equivalent jobs during its development and construction phases.

In addition, we estimate that the implementation of carbon capture technology at the HDRD Complex will result in two additional permanent full-time equivalent jobs at the facility.

We are excited about the prospect of this project being economically feasible and we believe that this carbon capture project is a good candidate for the Federal Low Carbon Economy Challenge, which the program's website describes as follows:

The Low Carbon Economy Challenge (the Challenge Fund) leverages Canadian ingenuity to reduce greenhouse gas (GHG) emissions and generate clean growth.

The Challenge Fund continues to support a wide range of Canadian recipients to implement projects that deploy proven, low-carbon technologies resulting in material GHG emissions reductions across sectors, focusing on its cost-effectiveness objective to maximize GHG emissions reductions.

We are also of the view that public support from the Prince George Municipal Government would be helpful to our chances of securing the Challenge Funding. A sample support letter is included herewith for your consideration.

Thank you in advance for considering this request.

Best regards,

A handwritten signature in black ink, appearing to read 'Andrea Decore', with a stylized, flowing script.

Andrea Decore
EVP Strategy & Corporate Development

Environment and Climate Change Canada

Via email to lcef-fefec@ec.gc.ca

RE: Federal Low Carbon Economy Challenge | Letter of Support in favour of Tidewater Renewables Ltd.

To Whom it May Concern,

The Municipality of Prince George would like to offer its public support for a Challenge Fund application by Tidewater Renewables Ltd. (“Tidewater”).

Tidewater’s proposed addition of carbon capture technology at their Prince George Hydrogen Derived Renewable Diesel Complex (“HDRD Complex”) would allow for the capture of approximately 52,000 tonnes of CO₂ per year, representing an estimated over 50% reduction in emissions from the facility, which is already industry leading as Canada’s first producer of renewable diesel.

In addition to its emissions reduction benefits, the project is expected to materially contribute to employment and economic prosperity in the Prince George region of British Columbia.

The City wholly supports Tidewater’s proposed carbon capture project and its application for a Challenge Fund grant.