

# 19.6 MW Biomass Power Plant





## 19.6 MW Biomass Power Plant

A biomass power plant is a facility that generates electricity by burning organic materials such as wood, livestock waste, or agricultural leftovers. These materials are known as biomass, and they are considered a renewable energy source because they can be replenished quickly through natural processes. Biomass power plants are an important part of the effort to reduce reliance on fossil fuels and combat climate change.

One of the key benefits of biomass power plants is their ability to convert waste materials into valuable energy. By using materials that would otherwise be discarded, these plants can provide a sustainable source of power while also reducing the amount of waste that ends up in landfills. This helps to lower greenhouse gas emissions and minimize environmental impact.

In addition to being environmentally friendly, biomass power plants also provide economic benefits to local communities. They create jobs in the collection, processing, and transportation of biomass materials, as well as in the operation and maintenance of the power plant itself. This can help stimulate economic growth and provide a boost to rural economies where biomass materials are often sourced.

Biomass power plants also offer a reliable source of electricity that can help stabilize the grid and enhance energy security. Because biomass is a readily available resource, power plants can operate consistently and provide a constant source of power, even when other renewable energy sources like solar or wind are not producing electricity.

Overview  
Biomass power plants in Canada are playing an increasingly important role in the country's renewable energy sector. These plants use organic materials such as wood chips, agricultural residues, and waste from forestry and agricultural industries to generate electricity and heat. Biomass is considered a renewable energy source because the organic materials used to produce it can be replenished and are considered carbon neutral, as the carbon emissions released during combustion are offset by the carbon dioxide absorbed by the plants during their growth.

One of the main advantages of biomass power plants is that they can help reduce greenhouse gas emissions and promote a more sustainable energy future. By using organic waste materials that would otherwise go to landfills or be burned in the open air, biomass power plants are able to produce clean energy and reduce the environmental impact of these waste materials. In addition, biomass power plants contribute to local economies by creating jobs and supporting the forestry and agricultural industries.

### Background

Provide an important environmentally responsible forest management solution as well as substantial value chain benefits to local timber industry. Strong fuel supply: strong long-term historical relationships with suppliers for over 30 years and substantial on-site fuel storage Strong operations: history of safe, strong, reliable operation with highly experienced team Biofuel/biochar and solar farm potential: facility has the fuel relationships and gathering systems for development of biofuels/biochar capability as well as a solar farm.

### Revenues

Contracted Electricity Sale: Power Purchase Agreement extended until October 2032 based on ACT155. Adjusted EBITDA in 2022 and on a run-rate basis in 2023 is running at a level of \$3.5- \$4M. These figures add back management fees to the Operator of

### TARGET PRICE

\$25,000,000

### GROSS REVENUE

18354000

### EBITDA

2265346

### BUSINESS TYPE

Renewable Energy

### COUNTRY

United States

### BUSINESS ID

L#20240642

approximately \$0.6M annually.

The dryer/pellets production project is in permitting process.

The dryer/pellets project's Capex is \$23M and will provide additional revenue and incremental EBITDA (Plant efficiency and additional revenues from pellet production project).

Plant Overview

*The information contained herein does not constitute an offer to sell or a solicitation of an offer or a recommendation to purchase securities under the securities laws of any jurisdiction, including the United States Securities Act of 1933, as amended, or any US state securities laws, or a solicitation to enter into any other transaction*

*The projected financial information contained in the Memorandum is based on judgmental estimates and assumptions made by the management of the target Company, about circumstances and events that have not yet taken place. Accordingly, there can be no assurance that the projected results will be attained. In particular, but without prejudice to the generality of the foregoing, no representation or warranty whatsoever is given in relation to the reasonableness or achievability of the projections contained in the Memorandum or in relation to the bases and assumptions underlying such projections and you must satisfy yourself in relation to the reasonableness, achievability and accuracy thereof.*

*By delivering this Memorandum, neither MergersUS Inc., nor its authorized agents are making any recommendations regarding the acquisition or strategies outlined herein. Interested parties shall exercise independent judgment in, and have sole responsibility for, determining whether an acquisition of the Company is suitable for them, and neither MergersUS Inc, nor its authorized agents have responsibility to, and will not, monitor the condition of interested parties to determine that an acquisition is or remains suitable for them. Among other things, suitability of an acquisition will depend upon an interested party's investment and business plans and financial situation.*

*This document is prepared for information purposes only. It is made available on the express understanding that it will be used for the sole purpose of assisting the recipients to decide whether they wish to proceed with a further investigation of the Proposed Transaction.*

*The recipients realize and agree that this document is not intended to form the basis of any investment decision or any other appraisal or decision regarding the Proposed Transaction, and does not constitute the basis for the contract which may be concluded in relation to the Proposed Transaction.*

*All information contained in this document may subsequently be updated and adjusted. MergersUS Inc. has not independently verified any of the information contained herein or on which this document is based. Neither the Company, nor its management or shareholders, nor MergersUS Inc. , nor any of their respective directors, partners, officers, employees or affiliates make any representation or warranty (express or implied) or accept or will accept any responsibility or liability regarding or in relation to the accuracy or completeness of the information contained in this document or any other written or oral information made available to any interested party or its advisers. Any liability in respect of any such information or any inaccuracy in or omission from the document is expressly disclaimed.*

[www.mergerscorp.com](http://www.mergerscorp.com)



© 2024 MergersCorp M&A International. All rights reserved.

© 2024 MergersCorp M&A International. MergersCorp™ M&A International is the collective brand name of independent affiliates of MergersCorp M&A International. For more details on the nature of our affiliation, please visit us on our website <https://www.mergerscorp.com/disclaimer>. MergersCorp M&A International is not a registered broker-dealer under the U.S. securities laws. MergersCorp M&A International does not offer or sell securities or provide investment advice or underwriting services. The articles or publications contained in this presentation are not intended to provide specific business or investment advice. The author or MergersCorp M&A International shall not be liable for any errors or omissions, or for any loss suffered by any person or organization acting or refraining from acting as a result of the content of this website. It is recommended that specific independent advice be sought before making any business or investment decision.



[WWW.MERGERSCORP.COM](http://WWW.MERGERSCORP.COM)