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9.75 MW Renewable Energy & Sustainable Waste Management (Biomass Cogeneration)

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9.75 MW Renewable Energy & Sustainable Waste Management (Biomass Cogeneration)

Fully permitted, turnkey biomass cogeneration and treated wood recycling facility in Quebec, Canada. Following a strategic cessation of operations last year, this asset presents a rare, de-risked entry point for qualified strategic buyers, family offices, and private equity groups. The opportunity offers immediate access to established infrastructure, valuable environmental permits, and grid connectivity within the rapidly expanding North American renewable energy and ESG sectors.

Key Investment Highlights

- Proven Operational Scale: Historically processed 90,000 tons of wood waste annually, utilizing biomass to generate 9.75 Megawatts of electricity daily (equivalent to powering approximately 4,500 single-family homes).
- Strategic Infrastructure: Situated on a 420,000 sq. ft. purpose-built site featuring advanced cogeneration technology, industrial shredding, and comprehensive material recovery systems.
- Regulatory Advantage: Holds established, transferable certificates of authorization and full compliance with provincial environmental ministry standards for treated wood reclamation and green energy recovery.
- Tier-1 Supply Chain Legacy: Demonstrated historical procurement and service pipelines with major Canadian infrastructure entities, including national railways, provincial hydro utilities, and telecommunications providers.
- Compelling Valuation: Offered at $8,000,000, representing a highly attractive entry multiple relative to the substantial replacement cost of the specialized infrastructure, environmental permits, and grid interconnection assets.

Business Overview

The facility operated at the intersection of sustainable waste management and renewable energy, executing a rigorous 4R (Reduce, Reuse, Recycle, Recovery) operational model. By diverting post-consumption treated wood (e.g., railroad ties, utility poles, construction lumber) from landfills, the Company transformed environmental liabilities into valuable green energy and reusable materials. Operations were seamlessly integrated with a dedicated on-site cogeneration plant, ensuring zero-waste processing and maximum resource recovery.

Strategic Upside for New Ownership

1. Immediate Restart Capability: Leverage existing permits, facility infrastructure, and grid connections to rapidly resume operations with minimal near-term capital expenditure.
2. Carbon Credit Monetization: Implement modern ESG frameworks to capture and monetize carbon offsets associated with greenhouse gas reduction and landfill diversion.
3. Capacity Expansion: Scale feedstock procurement and energy output by optimizing the existing 9.75 MW cogeneration framework or integrating supplementary renewable technologies.

Revenue Forecast (Potential)

This 5-year financial model provides an Unlevered Free Cash Flow (UFCF) baseline for evaluating the Quebec biomass cogeneration and treated wood recycling facility.

TARGET PRICE
$8,000,000

GROSS REVENUE
$7,860,000

EBITDA
$3,360,000

BUSINESS TYPE
Renewable Energy - Hydropower

COUNTRY
Canada

BUSINESS ID
L#20261125

All figures are expressed in **CAD ($)** based on standard industry benchmarks for Canadian energy and waste-to-value operations.

1. Key Operating Assumptions

- **Acquisition & Restart (Year 0 Outflow):** $8,000,000 purchase price + $1,000,000 restart/overhaul CAPEX = **$9,000,000**.
- **Operational Capacity:**
  - Nameplate Capacity: **9.75 MW**
  - Capacity Factor (~85%): **7,450 operating hours/year**
  - Net Power Output: ~**72,600 MWh/year**
- **Revenue Drivers (Run-rate):**
  - **Power Sales (PPA / Grid Interconnection):** 72,600 MWh @ $85/MWh $\rightarrow$**$6.17M/year**
  - **Tipping Fees (Wood Waste Processing):** 90,000 tons @ $35/ton $\rightarrow$**$3.15M/year**
  - **Carbon Offsets & Material Recovery:** Conservative ESG baseline $\rightarrow$**$0.50M/year**
  - Total Full-Scale Revenue:**$9.82M/year**
- **Operating Expenses (OPEX):**
  - Feedstock logistics, labor, O&M, insurance, and environmental compliance: ~**$5.40M/year** (~55% of revenue).
- **Depreciation, Capex & Taxes:**
  - Combined Quebec/Federal Corporate Tax Rate: **26.5%**.
  - Sustaining CAPEX: **$350k/year**.
  - Working Capital Changes (ΔNWC): Normalized working capital cycle.

2. 5-Year Cash Flow Projection

Note: Year 1 incorporates an 80% capacity utilization ramp-up; Years 2–5 reflect full operational run-rate with a conservative 2% annual escalation.

Financial Line Item ($M CAD)	Year 0	Year 1 (Ramp-up)	Year 2	Year 3	Year 4	Year 5
Total Revenue	—	**$7.86**	**$9.82**	**$10.02**	**$10.22**	**$10.42**
Operating Expenses (OPEX)	—	($4.50)	($5.40)	($5.51)	($5.62)	($5.73)
EBITDA	—	**$3.36**	**$4.42**	**$4.51**	**$4.60**	**$4.69**
Depreciation & Amortization (D&A)	—	($0.90)	($0.90)	($0.90)	($0.90)	($0.90)
EBIT	—	**$2.46**	**$3.52**	**$3.61**	**$3.70**	**$3.79**
Income Tax (26.5%)	—	($0.65)	($0.93)	($0.96)	($0.98)	($1.00)
NOPAT	—	**$1.81**	**$2.59**	**$2.65**	**$2.72**	**$2.79**
+ D&A Add-back	—	+$0.90	+$0.90	+$0.90	+$0.90	+$0.90
– Sustaining CAPEX	—	($0.30)	($0.35)	($0.35)	($0.35)	($0.35)
– Δ Net Working Capital	—	($0.25)	($0.10)	($0.05)	($0.05)	($0.05)
Initial Outlay	**($9.00)**	—	—	—	—	—
Unlevered Free Cash Flow (UFCF)	**($9.00)**	**$2.16**	**$3.04**	**$3.15**	**$3.22**	**$3.29**

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