Imperial advances renewable diesel plans

Imperial has entered into a long-term contract with Air Products to supply low-carbon hydrogen for Imperial’s proposed renewable diesel complex at its Strathcona refinery near Edmonton, Alberta. Air Products will provide pipeline supply from its hydrogen plant under construction in Edmonton.

Jon Wetmore, Imperial’s vice president of downstream, said: "Our agreement with Air Products is an important milestone as we progress plans to build the largest renewable diesel manufacturing facility in Canada.

"This project highlights Imperial's commitment to investing in a lower carbon future. We continue to progress discussions with our business partners and governments as we work toward a final investment decision in the months ahead."

Imperial will use Air Products’ low-carbon hydrogen to produce renewable diesel at Strathcona that substantially reduces greenhouse gas emissions relative to conventional production. The hydrogen and bio feedstock will be combined with a proprietary catalyst to produce premium low-carbon diesel fuel.

Air Products is increasing overall investment in its Edmonton hydrogen facility to CAD $1.6 billion to support the Imperial contract. The additional investment by Air Products will be used to facilitate integration with Imperial’s proposed project that is expected to enable further significant emissions reductions at Air Products’ overall complex. Air Products will supply Strathcona with approximately 50 percent of the low-carbon hydrogen output from the 165 million standard cubic feet per day hydrogen production complex.

Dr Samir J. Serhan, chief operating officer at Air Products, said: "There is significant demand for low-carbon hydrogen, and as a first-mover, Air Products is ready to meet that demand from our Alberta Blue Hydrogen Hub.

"Canada is rapidly implementing an energy transition that emphasises the use of low-carbon hydrogen, and Air Products is demonstrating that world-scale hydrogen facilities can be net-zero for carbon emissions."
“We continue to set the stage for a competitive, low-carbon-intensity hydrogen network, which includes increasing liquid hydrogen production capacity at our site to 35 tonnes per day, to provide clean hydrogen for the growing industrial and mobility markets across Canada.”

Imperial's renewable diesel complex is expected to produce more than one billion litres per year of renewable diesel from locally sourced feedstocks.

First announced in August 2021, the project is anticipated to realise about three million tonnes per year in emissions reductions in the Canadian transportation sector, which is estimated to be the equivalent to taking more than 650,000 vehicles off the road annually. The project is projected to create about 600 direct construction jobs, along with hundreds more through investments by business partners.

Third-party studies have shown renewable diesel from various non-petroleum feedstocks can provide life-cycle greenhouse gas emissions reductions of approximately 40 to 80 percent as compared to petroleum-based diesel.

For more information visit www.imperialoil.ca