AltaGas Ltd. and Royal Vopak have announced the Ridley Island Energy Export Facility is progressing towards its FID

AltaGas Ltd. and Royal Vopak have announced that the Ridley Island Energy Export Facility is progressing towards its final investment decision in the first half of 2024. The project, located on Ridley Island, British Columbia, Canada, will be a large-scale coastal terminal for exporting liquified petroleum gases, methanol, and other bulk liquids.

Preparation for the project is advancing with site clearing work, including logging, clearing, and drainage activities, expected to begin in the coming weeks. REEF has successfully completed a five-year environmental preparation and review process and engaged extensively with Indigenous rights holders and local communities. The joint venture aims to deliver the project with industry-leading environmental stewardship and benefits for all stakeholders.

REEF has obtained the necessary federal and provincial permits for constructing storage tanks, a new dedicated jetty, and other infrastructure. The project will be developed on a 190-acre site on lands administered by the Prince Rupert Port Authority, with a long-term lease secured by the joint venture.

Significant progress has been made across critical workstreams, including commercial, engineering, and partnership agreements. The joint venture is on track to award several contracts in the first half of 2024. Additionally, AltaGas has entered a transportation agreement with Canadian National Railway Company, ensuring cost and service predictability for propane and butane transportation to the west coast.

The exclusive rights granted to AltaGas and Vopak by the Prince Rupert Port Authority enable the development of LPG, methanol, and other bulk liquids exports on Ridley Island. These rights provide certainty and facilitate comprehensive environmental and community stewardship throughout the project’s development.

The joint venture has actively engaged with First Nations rights holders, local communities, regulators, and the Prince Rupert Port Authority for over five years to ensure strong community support and environmental stewardship. Relationships with local Indigenous communities have been fostered through existing operations, focusing on economic and social development opportunities.
Following a positive FID, REEF will have the option to evaluate alternative fuels such as hydrogen, leveraging Vopak's expertise in hydrogen storage. This aligns with growing customer interest in Asia, particularly Japan and South Korea.

REEF's strategic location offers significant advantages, with shorter shipping times to Northeast Asia compared to the US Gulf Coast and Arabian Gulf. The project will efficiently connect Canada's energy products to high-demand markets, with potential benefits during global shipping disruptions.

AltaGas and Vopak are committed to completing the final milestones required for the prudent sanctioning of REEF. They express gratitude to all stakeholders for their continued support and partnerships throughout the project's development. Both organisations prioritise working with stakeholders and forming strong partnerships as part of their business approach.

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