

## Ottawa Shell station producing straw-based ethanol

Shell and Iogen Energy Corporation said they are producing 40,000 litres of ethanol per month from straw at a demonstration plant

Amsterdam — The Associated Press, Wednesday, Jun. 10, 2009 07:15PM EDT

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Royal Dutch Shell PLC ([RDS.A-N](#) 55.43 0.38 0.69%) says it has begun selling gasoline containing 10 per cent ethanol derived from wheat straw at a Shell station in Ottawa.

For a trial period, regular gasoline bought at a Shell service station at Merivale Road and Rossland Avenue will contain 10 per cent cellulosic ethanol, a biofuel that made locally from nonfood raw material and promises to produce up to 90 per cent less carbon dioxide emissions over its life cycle than gasoline.

Though there are now thousands of gas stations worldwide that sell gasoline blends containing some ethanol fermented from corn or sugar cane, the Ottawa station believed to be the first to sell ethanol derived from straw, Shell said.

Using ethanol in gas blends may reduce net greenhouse gas emissions, but using food crops for ethanol has also been blamed for increasing foodstuff prices.

Shell and Iogen Corp. said Wednesday they are producing 40,000 litres of ethanol per month from straw at a demonstration plant in Ottawa.

"Ethanol-blended gasoline is already widely proven. There are trillions of miles of vehicle experience with it," said Iogen CEO Brian Foody. "What we are doing is not changing the basic chemistry or performance of the gasoline at all. We are delivering ethanol that is made in a new way that is better for the environment and has potential to deliver very large volumes."

Although no investment decisions have been made, the partners are eyeing a site for a plant in Prince Albert, Sask., and have more than 100 people working on the detailed design of the project.

*With a report from Reuters*

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