

# Stoking the Home Fires

## Canada's Pellet Heat Market



**Canada**  
 5% conversion  
 1.4 million tonnes  
 \$378 million  
 1,400 jobs

### British Columbia

5% conversion  
 60,000 tonnes  
 \$16 million  
 60 jobs

### Alberta

5% conversion  
 80,000 tonnes  
 \$22 million  
 80 jobs

### Saskatchewan

5% conversion  
 38,000 tonnes  
 \$10 million  
 38 jobs

### Manitoba

5% conversion  
 5,000 tonnes  
 \$1.4 million  
 5 jobs

### Ontario

5% conversion  
 567,000 tonnes  
 \$153 million  
 567 jobs

### Quebec

5% conversion  
 235,000 tonnes  
 \$63 million  
 235 jobs

### Newfoundland

5% conversion  
 125,000 tonnes  
 \$34 million  
 125 jobs

### Prince Edward Island

5% conversion  
 25,000 tonnes  
 \$7 million  
 25 jobs

### Nova Scotia

5% conversion  
 166,000 tonnes  
 \$45 million  
 166 jobs

### New Brunswick

5% conversion  
 125,000 tonnes  
 \$34 million  
 125 jobs

## Legend



Heating Oil



Firewood



Electricity



Propane



% of households where current fuel is more expensive than wood pellets

Pellet Value: \$270/tonne

Pellet Jobs: 0.35 direct manufacturing, plus 0.65 indirect distribution, fibre supply, stove installation, sales etc... per 1,000 tonnes of pellets consumed.

Data assembled by Jayson Koblun, editorial intern.

Well over 90 per cent of Canadian pellets are exported to heat and light homes in Europe or the US. To look at the potential for using more of those pellets to heat homes and water here in U.S. Canadian Biomass magazine dug out statistics on what Canadians are currently using to heat their homes and water – electricity, oil, natural gas, propane, and wood. The mix differs by province, as do the relative costs of each fuel.

We then determined what fuels wood pellets could compete against on price alone for each province. For example, pellets are price competitive with oil, electricity, firewood and propane in Ontario, but not with electric heating in Quebec, British Columbia and Manitoba. They are not competitive with natural gas in any region.

That gave us the number of possible households in each province where pellets could offer a cheaper heat alternative, which varies from 9% in British Columbia to 100% in Nova Scotia and Newfoundland. That and the average heat load per household in each region gave us the total possible pellet market in each province. We then assumed that converting just five percent of those clients would be a worthy but achievable objective, and based on that came up with the realistic market in each province, broken into tonnes of pellets, revenue, and jobs created.

It's art as much as science. For example, the totals do not include possible pellet consumption for commercial use or power generation, so the true domestic market is many times this size. Job creation assumes a ready supply of residues, so where harvesting, collecting and grinding are required, those numbers would increase. Still, there is a worthy market development project out there for the right players.