



AB Volvo

Press Information

Volvo signs Letter of Intent regarding manufacture of vehicle fuel from landfill gas

Volvo Technology Transfer's subsidiary Terracastus Technologies has signed a Letter of Intent with Nordvästra Skånes Renhållningsbolag (NSR) to establish a joint company for upgrading biogas to a liquefied biogas (LBG). This upgrading venture will enable NSR's plant in Helsingborg to reduce its annual carbon emissions by 40,000 tons, compared with using diesel fuel.

Following its completion in the third quarter of 2011, the plant is expected to produce fuel replacing 15 million liters of diesel per year, making it one of the largest plants for biogas upgrading in the world. Biogas is a climate-neutral fuel whereby fuel produced in a plant can contribute to reducing carbon emissions by 40,000 tons per year compared to using diesel fuel.

Terracastus's purification and biogas upgrading technology is based on a patented technique that utilizes the carbon dioxide found in raw gas to remove pollutants and liquefy the biogas, thereby facilitating storage and distribution. This technique was previously employed in a pilot project carried out in Burlington County, New Jersey in the US, where LBG was produced and used as fuel for two garbage trucks from the Volvo Group's US subsidiary Mack Trucks.

Volvo Technology Transfer AB is owned by AB Volvo and focuses on developing and supporting new businesses relevant to the Volvo Group. Part of the effort is to invest in companies and projects that are technologically and commercially attractive.

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