

# Celtic Renewables get major funding boost to build biofuel plant



Celtic Renewables is the biggest winner in a competition run by the Department for Transport (DfT), earning an £11million grant to help it build the world's first plant dedicated to the production of advanced biofuel from the residues of the whisky industry.

The Edinburgh-based company is one of three advanced biofuel producers to share in a £25million funding pot.

The winners were announced today by Andrew Jones, the UK Transport Minister at Celtic Renewables' headquarters at Edinburgh Napier University.

The company will use the funding to build a biofuel facility that will be operational by December 2018, producing at least 1million litres of biofuel, capable of powering cars, every year.

✘ Professor Martin Tangney, the company's founder and President, said he was delighted with the award which would allow it to create Europe's first facility for acetone-butanol-ethanol (ABE) fermentation for 50 years.

The process, that uses bacterial [fermentation](#) to produce advanced biofuels from carbohydrates such as [starch](#) and [glucose](#), was originally devised in the UK at the start of the last century to produce acetone for explosives used in the First World War. It was phased-out in the 1960s due to competition from the petrochemical industry.



Professor Tangney said: "Our aim is to reintroduce that process but in a modern context which allows us to use the leftovers from the whisky industry to create a fuel source that contributes to the low carbon future we all want."

He added: "We are committed to developing a new industry right here in the UK that will be worth more than £100million-a-year and it starts here.

"We have already attracted investment and partners in the private sector and this funding announced today will allow us to scale-up to industrial production.

"Our next step is to open a demonstration facility and we are targeting a location in or near Grangemouth which is an area that's strategically right for us."

Mr Jones said: "I am delighted to announce that Celtic Renewables is one of three winners of the DfT's Advanced Biofuels Demonstration competition.

“The point of the competition was to reward companies that take low value waste and use their intellectual meat to create something of high value which also contributes to low carbon development, manufacturing and science.

“There is no better demonstration of this than Celtic Renewables’ great ideas and this money will help them to put those into practice. It’s a fantastic story that fits perfectly with our aim of reducing greenhouse gas emissions and decarbonizing transport.”

Earlier this year Celtic Renewables was named Europe’s most innovative biotech SME.

The spin-out company from the Biofuel Research Centre (BfRC) at Edinburgh Napier University was presented with the award and a cheque for €10,000 at the European Parliament by Carlos Moedas, the EU Commissioner for Research, Science and Innovation.

It has spent the last 18 months developing its process as part of a £1million programme funded by the Department for Energy and Climate Change (DECC) under its Energy Entrepreneurs Fund.

Biofuel is produced from draff – the sugar-rich kernels of barley which are soaked in water to facilitate the fermentation process necessary for whisky production – and pot ale, the copper-containing yeasty liquid that is left over following distillation.

The other companies which won funding in the DfT competition are Teesside-based Nova Pangaea, which produces biofuel from forestry waste, and Swindon-based Advanced Plasma Products.