



Enviro-access

ANNUAL REPORT

2006
2007

ENVIRO-ACCESS... FOSTERS THE EMERGENCE AND SUPPORTS THE DEVELOPMENT OF INNOVATIVE PROJECTS AND BUSINESSES THAT CONTRIBUTE TO THE IMPROVEMENT OF THE QUALITY OF THE ENVIRONMENT AND TO SUSTAINABLE DEVELOPMENT ON A LOCAL, NATIONAL AND INTERNATIONAL SCALE...

BY...

- supporting businesses that develop innovative environmental solutions;
- assisting in evaluating and monitoring greenhouse gas emission reduction;
- developing eco-efficiency projects that aim to improve the profitability of manufacturers.

CLIENT PROFILE

65 SMALL AND MEDIUM-SIZED BUSINESSES WHO*:

- increased annual sales by \$87,739,000, including \$54,591,000 in exports, for an average growth of 11% in 2006;
- created 126 new jobs;
- invested \$24,056,000 in research and development.

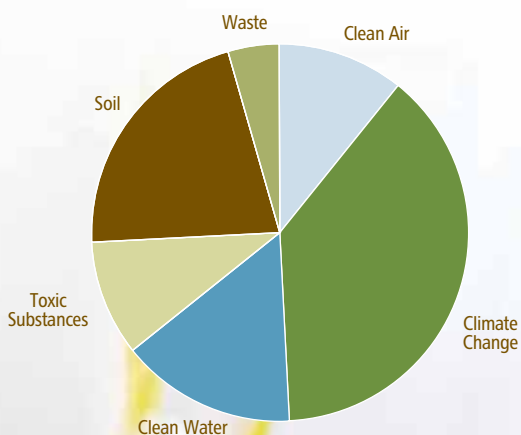
*Data was calculated based on results of a 2006-2007 survey of 53 business clients.

IN ADDITION TO ENVIRONMENT CANADA, 21 GOVERNMENT DEPARTMENTS, ORGANIZATIONS, MUNICIPALITIES, UNIVERSITIES AND LARGE BUSINESSES HAVE RELIED ON ENVIRO-ACCESS TO:

- manage, coordinate and implement 32 projects;
- carry out over \$850,000 in mandates.

90% OF BUSINESSES SURVEYED CONSIDER THAT ENVIRO-ACCESS SERVICE WAS EXCELLENT OR GOOD.

CLIENT DISTRIBUTION ACCORDING TO ENVIRONMENTAL SECTOR



THE TEAM:

Manon Laporte (President and CEO), Sébastien Flamand, Marie-Ève Camiré, Adriana Méndez-Sagel, Danielle Gélinas, Patrice Perreault, Maude Lauzon-Gosselin, Madeleine Poisson, François Roberge, Normand Gadoury

Absent on the photo: Marie-Josée Roy, Gary Whipp

RESEARCHERS, ENTREPRENEURS AND MANAGERS FROM ACROSS CANADA AND 60 COUNTRIES AROUND THE WORLD RELY ON ENVIRO-ACCESS TO PROVIDE ANSWERS TO THEIR QUESTIONS BY CONTACTING TEAM MEMBERS OR VISITING OUR WEBSITE (5,055,854 HITS IN 2006-2007 – AN AVERAGE OF 421,321 PER MONTH)

www.enviroaccess.ca

MESSAGE FROM THE CHAIRMAN OF THE BOARD AND THE PRESIDENT AND CEO

During 2006-2007, **Enviro-Access** continued to refine its expertise in supporting projects aimed at reducing greenhouse gas (GHG) emissions. In addition to identifying and quantifying potential methods for reducing emissions, the team has helped numerous businesses to prepare, finance and monitor new technology demonstration projects with a strong potential for reaping environmental and economic benefits.

As well, we have been selected by the Greenhouse Gas Division of Environment Canada to present the greenhouse gas project verification training (ISO 14064) to 52 future specialists, in collaboration with the *Centre universitaire de formation en environnement* of the *Université de Sherbrooke*.

In addition, Enviro-Access has performed GHG emission reduction validations for seven completed projects, and we are enthusiastically continuing our work with the SMEs in different regions of Quebec in order to motivate them to set up cost-effective pollution prevention projects.

We are proud of these accomplishments and want to thank all of the businesses that put their trust in us again this year, by congratulating them for their commitment and their contribution to sustainable development.

Chairman,



Claude Bégin
Fasken Martineau DuMoulin

President and CEO,



Manon Laporte
Enviro-Access inc.



MEMBERS OF THE BOARD



Guy Fouquet, Le Groupe S.M. International - **Manon Laporte**, Enviro-Access - **Jean-Maurice Plourde**, Centre québécois de valorisation des biotechnologies (CQVB) **Claude Bégin**, Fasken Martineau DuMoulin - **Anne-Marie d'Amours**, Capimont Technologies - **Raymond Goulet**, Jacques Whitford - **Richard Royer**, Kanitek **Serge Pichette**, Bélanger Sauvé

Absent on the photo : **Gérard Bouchard** - **Daniel Williams**, Raymond Chabot Grant Thornton.

ENVIRONMENT CANADA OBSERVERS

Technology Strategies Division

Abe Finkelstein, Chief - Innovative Solutions
Cheryl Viney, Program Officer - Innovative Solutions

Key Partner



Environment
Canada

Environnement
Canada

Canada

MEMBERS

Bélanger Sauvé – Capimont Technologies – Centre québécois de valorisation des biotechnologies (CQVB) – Dessau – École Polytechnique (affiliated with the Université de Montréal) – Fasken Martineau DuMoulin – Goudreau Gage Dubuc – Groupe Bristol – GSI Environnement – I.C.I. Environnement Jacques Whitford – Lapointe Rosenstein – Le Groupe S.M. International – Marcon DDM – Praxis stratégie-communication – Propage Créativité Marketing – Raymond Chabot Grant Thornton – Tecresult Environnement – Teknika HBA - Université de Moncton – Université de Sherbrooke – Université Laval



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HIGHLIGHTS



In the context of Americana 2007, Enviro-Access organized the International Business Match-making Forum that took place at the Montreal Convention Centre, March 20 and 21, 2007. The International Forum allows Canadian businesses to meet with buyers, distributors or representatives to export their environmental products or technologies. The Enviro-Access team organized 230 one-on-one meetings, allowing 36 Canadian participants to meet with 60 foreign delegates from 21 countries who were looking for solutions to their environmental problems.

COORDINATION OF 15 (ENVIROCLUB^{OM}) ECO-EFFICIENCY PROJECTS WHICH RESULTED IN:

- Annual operating cost savings of **\$1,962,100**;
- An average payback period of **17 months**;
- Annual reduction in natural gas consumption of **1,165,300 m³**, the amount it would take annually to heat **482 houses**, and **335,080 m³** of drinking water, the amount it would take to fill **100 Olympic-sized swimming pools**;
- Annual reduction of **61 tons** of waste, **3,370 kg** of volatile organic compounds (VOCs) and **2,210 tons** of carbon dioxide (CO₂ eq), equivalent to the amount released by **470 cars**.

Development of an Enviroclub^{OM} involves supporting a group of SMEs from the same region in implementing a tailor-made cost-effective pollution prevention project, notably by reducing the technical and financial risks associated with such a project.

ENVIROCLUB IS AN INITIATIVE OF:

Environment Canada, National Research Council Canada - Industrial Research Assistance Program, and Canada Economic Development for Quebec Regions



Enviroclub^{OM} is an official mark of Environment Canada

In 2006-2007, the Enviro-Access team also successfully recruited 30 SMEs to create two new Enviroclubs, one in Québec Centre and the other in Montréal. For each Enviroclub, Enviro-Access helps manufacturing SMEs to better understand the importance of pollution prevention, meets with them to help define a profitable eco-efficiency project, and ensures the completion of the project by providing the assistance of consultants with expertise complementary to that of the specific SME. The consultants provide the services and technical skills needed to assist in the implementation of the project. In addition, participating businesses benefit from a four-day training workshop organized and conducted by Enviro-Access to help them improve their environmental performance. The meetings and discussions between the SMEs, the consultants, the partners and the local stakeholders during these workshops are one of the cornerstones of the Enviroclub^{OM} concept.



Papier Masson, a division of the White Birch Paper group, is an integrated producer of newsprint that completed a cost-effective pollution prevention project in the context of Enviroclub Outaouais 2006.



LAUNCH OF ENVIROCLUB MONTREAL 2007
Sébastien Flamand, Technical Advisor for Enviro-Access

Sylvain Bussière, Director of Pulp Manufacturing – Papier Masson

“ Our project allowed us to reduce our consumption of fuel oil by 600,000 litres per year, which is the equivalent of a GHG emission reduction of 1,775 tons of CO₂ eq per year, and to secure recurring savings of \$240,000 dollars per year. In addition, discussions with other businesses in the region have provided new ideas for solutions so that we can continue to improve our environmental performance. ”

SUPPORT TO INNOVATION AND REDUCING GHG EMISSIONS

The Enviro-Access team is among the most experienced in Canada in providing assistance to companies for their projects to reduce greenhouse gas (GHG) emissions. Our staff applies the ISO 14064 standards for GHG accounting and verification. Over the past year, Enviro-Access has worked directly on many projects that received substantial financial contributions.

Consequently, the team has collaborated to obtain financing, as well as to the monitoring, for three technology demonstration projects with an overall value of \$39.3M, involving 14 partners, and for which \$11.5M in public funds were granted. Current provisions allow us to anticipate emission reductions of 545,800 tons* of greenhouse gas per year, starting in 2010.

At the same time, during the year Enviro-Access has lent support to seven other new technology demonstration projects that are now at the financing package phase and for which financing is needed.

All of these projects are aimed at developing technologies that will contribute to mitigating climate changes, in addition to improving the quality of our water, air and soil, and involve fields as diversified as:

- biofuels production;
- development of alternative products and equipment to lessen the environmental impact;
- energy production from waste and other clean energy;
- industrial by-product reclamation;
- energy recovery.

* Estimate based on technology deployment projections and Enviro-Access calculations carried out in compliance with the methods established by the International Standard Organization (ISO) and the Intergovernmental Panel on Climate Change (IPCC). The total potential projections have been reduced by 90% to take market uncertainties into account.

Mr. Alain Perreault, Business Development Officer for Cerestech:

“ Enviro-Access has successfully assisted us in our efforts to obtain financing from Sustainable Development Technology Canada (SDTC) to scale up our process for a thermoplastic starch (TPS) blend. The support provided by Enviro-Access was extremely useful in analysing the life cycle of our process, in better understanding and measuring the environmental impacts, particularly the potential reduction of GHG emissions. This entire experience helped us to better structure our project and plan the next steps in view of marketing. ”

TRAINING FOR THE VALIDATION OF GHG EMISSION REDUCTIONS

Jean-François Comeau, Assistant Director of the Centre universitaire de formation en environnement at the Université de Sherbrooke:
“We have partnered with Enviro-Access as specialists to provide training for the validation of GHG emission reductions. We are very pleased with this collaboration and hope to repeat the experience.”



François Roberge, eng., M.A.Sc.,
Director of Innovation Services at Enviro-Access and trainer, at a training session held in Québec in June 2006, which involved the participation of 28 persons.

AUDITORS' REPORT

To the Directors of
Enviro-Access Inc.

We have audited the balance sheet of Enviro-Access Inc. as at March 31, 2007 and the statements of income and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Samson Bélair / Deloitte & Touche s.e.n.c.r.l.

Samson Bélair/Deloitte & Touche s.e.n.c.r.l.
May 29, 2007

BALANCE SHEET

As at March 31, 2007

	2007	2006
	\$	\$
ASSETS		
CURRENT		
Cash	35 026	69 937
Temporary investments (market value: \$578 740; 2006 – \$810 050)	578 740	810 050
Accounts receivable	415 863	319 041
Prepaid expenses	16 207	19 521
	1 045 836	1 218 549
CAPITAL ASSETS	48 304	52 455
	1 094 140	1 271 004
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	76 455	219 952
Deferred revenues	81 245	139 583
	157 700	359 535
SURPLUS	936 440	911 469
	1 094 140	1 271 004

STATEMENT OF INCOME AND SURPLUS

Year ended March 31, 2007

	2007	2006
	\$	\$
REVENUE		
Environment Canada	400 000	400 000
Fees	1 140 683	1 576 248
Contributions	78 776	101 061
Interest	25 822	16 789
Other revenues	4 031	3 853
	1 649 312	2 097 951
DIRECT EXPENSES		
Subcontractors	280 402	396 996
Travel expenses	39 084	123 387
Miscellaneous expenses	23 277	93 339
	342 763	613 722
NET INCOME	1 306 549	1 484 229
EXPENSES		
Salaries, bonuses and fringe benefits	868 379	873 142
Consultant fees	124 557	138 195
Operation expenses	266 285	239 042
Taxes and permits	6 232	6 296
Amortization	16 125	16 986
	1 281 578	1 273 661
EXCESS OF INCOME OVER EXPENSES	24 971	210 568
SURPLUS, BEGINNING OF YEAR	911 469	700 901
SURPLUS, END OF YEAR	936 440	911 469

The Enviro-Access audited financial statements for the year ended March 31, 2007 are available on our Website www.enviroaccess.ca, under About Enviro-Access / Annual Report.

Enviro-Access is one of the three Canadian Environmental Technology Advancement Centres (CETACs).
The two other CETACs are:

- OCETA (Ontario Centre for Environmental Technology Advancement)
- CETAC-WEST (Canadian Environmental Technology Advancement Corporation West)

All three are private sector, not-for-profit corporations operating independently, at arm's length from the federal government.

Since 1993, the CETACs have played a pivotal role in the successful deployment of hundreds of environmental technologies, and have effectively promoted the adoption of sustainable development and pollution prevention practices in several key industry sectors.



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