

THE NATIONAL BIOMASS PARTNERSHIP ACTIVITIES UPDATE

April 2006

Arkansas

Ron Bell, Chairman
Arkansas Energy Office, Bioenergy Services Contractor
(870) 793-4379
rbellowoa@cox-internet.com

The Arkansas Energy Office issued a request for proposals to construct a biodiesel blending and distribution facility in the central Arkansas area. The RFP was one of several steps being taken to develop a biodiesel distribution and sales infrastructure in central Arkansas. The Arkansas Association of RC&D Councils and Conservation Districts co-hosted Arkansas' first state level bioenergy conference on March 30, 2006. Approximately 160 attendees, representing feedstock producers, energy product manufacturers and service providers, all levels of government, and several NGO's were present. Numerous potential investor groups and communities are conducting formal and informal feasibility studies for construction of crushing mills, wood pellet mills, and other Bioenergy production facilities around the state.

California

Susan Brown
CA Energy Commission
(916) 654-4741
sbrown@energy.state.ca.us

"Recommendations for a Bioenergy Plan for California" was completed in April and submitted to the Governor. The Report was in response to a request by Governor Schwarzenegger that the Bioenergy Interagency Working Group develop an integrated and comprehensive state policy on biomass. The recommendations represent near-term first steps that can be taken by state agencies and the Bioenergy Interagency Working Group to invigorate the biopower and biofuels sectors. http://www.energy.ca.gov/bioenergy_action_plan/index.html

Georgia

Nathan McClure
Georgia Forestry Commission
(706) 867-2899
nmclure@gfc.state.ga.us

The availability of forestry and agricultural crop biomass quantities in regional locations is being analyzed using desktop GIS applications. Data from the Forest Inventory and Analysis program, reported data from General Bioenergy, Inc. and crop residue data from the University of Georgia are all incorporated into one application that can be used to assist with feasibility studies for proposed biofuel refineries, as well as industrial energy systems. Research results are also expected in mid-2006 from a study of logging slash recovery by Dr. Dale Green at the University

of Georgia Warnell School of Forest Resources. These results will support the analysis of forestry biomass within the GIS application. www.gatrees.org

Hawaii

Priscilla Thompson

Hawaii Dept. of Business, Economic Development and Tourism

(808) 586-2353

PThomps@dbedt.hawaii.gov

Biomass-related provisions are still alive this legislative session in Hawaii that require the State diesel fuel purchases to include a preference for biodiesel blends, provide funds to quantify the state's potential for biofuels production, and provide funds to assist local agricultural industries to take advantage of EPACT and Farm Bill opportunities. However, despite Hawaii's nearly total dependence on imported fossil fuels and extreme vulnerability to supply disruptions, the Administration's proposal to establish a state Renewable Fuels Standard has died. The RFS would have required 20% of highway fuel demand to be met by renewable fuels by 2020. The market for Hawaii's ethanol developers has increased substantially with the announcement that Hawaiian Electric Company, Oahu's electric utility, plans to use ethanol in its new 100 MW plant scheduled for 2009. The plant, which requires approval from the Public Utilities Commission, will be able to burn a blend of ethanol and naphtha. The utility is also exploring the use of ethanol at its diesel-burning plants, and will be seeking long-term agreements with Hawaii's ethanol producers. The announcement was welcome news for the state's ethanol producers although none of the six planned ethanol facilities have yet begun construction. Imported ethanol will be used to meet Hawaii's April 2, 2006 E-10 mandate.

Indiana

Ryan Brown

Indiana Office of Energy and Defense Development

(317) 232-8961

rbrown@OED.IN.GOV

The Indiana Office of Energy and Defense Development (OED), in conjunction with the state's two Clean Cities Coalitions and the Indiana State Department of Agriculture, held two successful E85 Retailer workshops in Indianapolis and Fort Wayne. Over 80 transportation fuel retailers attended the workshops to learn about the benefits and challenges of retailing E85 fuel.

Indiana currently has 26 stations retailing E85 and our 2006 goal of 40 stations is expected to be reached by mid-summer. Indiana's first E85 station was opened in May 2005. This fast growth can be attributed to a combination of Indiana's Biofuel Grant Program (50% of infrastructure cost), recently passed state law that awards a 10 cent per gallon of E85 sold tax credit to retailers, EPACT 2005 federal infrastructure tax credits, and a strong coalition of state partners working to increase public awareness of E85 and FFVs.

E85 workshops will also be held in Jasper on April 27th and Michigan City on May 4th. For

workshop information: www.cicca.org; www.southshorecleancities.org

For Indiana E85 fueling locations: <http://www.in.gov/energy/pumpmap/>

Michigan

Dulcey Simpkins

Michigan Biomass Energy Program, Energy Office, State of MI

(517) 241-6223

dlsimpk@michigan.gov

MBEP launched a grant program to fund two non-profits to create marketing programs to expand infrastructure for ethanol (E85) and biodiesel (B20) at retail sites. Each grant can be funded up to \$62,500 (funding for a minimum of 5 pumps/pump conversions, or 4 pumps/pump conversions, plus \$12,500 administrative costs.) The grant will only be offered to 501(c)3 non-profit corporations geographically headquartered in the state of Michigan that can demonstrate the capacity to market and work with retail stations near major corridors and regulated fleets, and whose mission fits with promoting biofuels. MBEP also awarded \$73,000 in grants to Michigan Department of Natural Resources (MDNR) districts to help pay down cost premiums on bio-based alternatives for standard oils and lubricants used in MDNR vehicles and equipment.

www.michigan.gov/biomass

Minnesota

Mike Taylor

MN Department of Commerce

(651) 296-6830

Mike.taylor@state.mn.us

2% Biodiesel Mandate Implementation: quality control issues have been resolved and no problems are reported; www.mda.state.mn.us/biodiesel/default.htm

20% Ethanol Mandate Planning: EPA waiver and test protocol planning moving forward
www.governor.state.mn.us/Tpaw_View_Article.asp?artid=1347

Biomass Inventory: updating inventory of existing and planned biomass projects in the state, potentially to work on air permitting issues

E85 Program: volumes and stations are increasing rapidly to over 200 stations and 1,000,000 gal/month; www.cleanairchoice.org & www.commerce.state.mn.us (search "E85")

Various stakeholders are working on biomass projects & events: MN Center for Energy and the Environment Biomass Report; www.mncee.org/ceedocs/biomass.pdf; Univ. of MN workshops "Defining a Bioeconomy" & "Terrestrial Carbon Sequestration;"

www.soils.umn.edu/Emerging_Issues/2006/index.html &

www.extension.umn.edu/water/carbon/06-04-20forum/agenda.html; Clean Energy Resource Team Projects (various); www.cleanenergyresourceteams.org

Nebraska

Jerry Loos

Nebraska Energy Office

(402) 471-3356

jloos@neo.ne.gov

Nebraska Energy Office recent and current activities: 1) creation of a basic outline of a state biomass roadmap, 2) Life-Cycle Bioenergy and Environmental Impact Software; 3) a multi-year study of collection and storage of biomass is underway in western Nebraska.

Nebraska Energy Office Biomass Resources: <http://www.neo.ne.gov/renew/biomass-biopower.htm>; Nebraska Biomass Roadmap: <http://zoped.unl.edu/websites/Biomass/>

Pennsylvania

David Bingaman
Pennsylvania Department of Agriculture
(717) 772-5208
dbingaman@state.pa.us

Pennsylvania's state biomass representative gave testimony to the State legislature on behalf of the Department of Agriculture. The testimony was given during hearings on a proposed ban of MTBE in the state. The Department's testimony calls for wider use of ethanol in the State and the creation of a State Renewable Fuels Standard (RFS). "To promote ethanol use we need to create a renewable fuel standard that creates market stability by creating incentives that are triggered above a certain level of production. While initial production plants would evolve through sound business planning and capital investments the RFS would insure that additional ethanol production would have good market stability. For example a 2% RFS for annual production over 100 million gallons of ethanol would insure market support for ethanol production over the baseline limit." The testimony also called for research into biomass-to-ethanol, "...our real challenge is to provide the necessary research... to move from corn based production to cellulose based production of ethanol using conversion technologies to convert plant cells to sugars and the sugars to ethanol. This technology would allow us to conduct a sustainable harvest of excess plant residues from crops or secondary forestry production to produce ethanol from existing crops as well as specific alternative energy crops like switchgrass."

South Dakota

Greg Josten
SD Dept. of Agriculture, Resource Conservation and Forestry Division
(605) 394-2279
Greg.Josten@state.sd.us

Biomass Energy Resource Center of Montpelier, VT has been contracted to study the feasibility of converting Black Hills area schools from fossil fuels to woody biomass fuels for heating their facilities. Sawmill residues and hundreds of thousands of tons of tops, limbs and small diameter trees from thinning operations offer a significant source of biomass available for use as fuel. The initiation of this project and the interest it generated helped us leverage additional funds from the USDA Forest Service Economic Action Program. Schools in Belle Fourche, Spearfish, Lead, Rapid City, Custer, and Hot Springs will receive feasibility studies. Studies will be conducted for facilities ranging in size from East Elementary School in Spearfish to large district energy systems at Black Hills State University and the Central High School/Civic Center complex in Rapid City. Results from the first studies are expected in June 2006.

<http://www.state.sd.us/doa/forestry/programs-Services/forestry/Black-Hills-Biomass.htm>

US Virgin Islands

Bevan R. Smith Jr.
State Energy Office
(340) 773-1082 x2254

*The National Biomass Partnership
Monthly Activities Update*

*Volume 4
April 2006*

bsmith@vienergy.org

The Virgin Islands Energy Office (VIEO) has agreed to partner with the newly formed Virgin Islands Waste Management Authority (VIWMA) to assess the feasibility of the collection and cleaning of landfill biogas, and to use the information to design a Landfill Gas Collection and Control System, Waste Water Treatment Plant, and a Distributed Generation System, to maximize the use of available biogas resources. To that end, the VIEO and the VIWMA collaborated to draft a Memorandum of Agreement (MOA) to implement this activity. The document is currently being reviewed for legal sufficiency.

Vermont

Kelly Launder

Vermont Department of Public Service

(802) 828-4039

Kelly.Launder@state.vt.us

Four Vermont farms received Central Vermont Public Service (CVPS) Renewable Development Fund grant offers totaling \$666,000 to defray the cost of building new farm-based electric generating systems. Farms in Sheldon, Fairlee, West Pawlet and St. Albans will receive the grants from the CVPS Renewable Development Fund, set up in 2004 to encourage farm owners to develop new renewable generation and provide new manure management options through CVPS Cow Power™. The grants will help develop 8,400 megawatt-hours of clean renewable energy, enough energy to supply 1,395 average homes using 500 kWh per month.

<http://www.cvps.com/cowpower/index.shtml>

Washington

Dave Sjoding

Washington State University

(360) 956-2004

SjodingD@energy.wsu.edu

King County Executive Ron Sims announced the goal of increasing the county's use of biodiesel from the current 5 percent mixture to a 20 percent mixture - an increase that is intended to cut pollution, reduce the state's dependence on foreign oil, and encourage growth in the domestic clean-fuel industry.

West Virginia

Bill Willis

Energy Efficiency Program, West Virginia Development Office

(304) 558-2234

bwillis@wvdo.org

The West Virginia Development Office (WVDO) has contracted with the Mid-Atlantic Technology Research and Innovation Center (MATRIC) to conduct two studies as part of the WVDO state grant from Southeastern Regional Biomass Energy Program operated by the Southern States Energy Board. These reports will be economic feasibility studies on biodiesel production and biorefinery infrastructure in West Virginia. The following activities are being performed through the Industries of the Future - West Virginia Program:

*The National Biomass Partnership
Monthly Activities Update*

*Volume 4
April 2006*

1. Cytec Industries Inc. is working with a WVU Mechanical and Aerospace Engineering Design Team to develop a feasibility analysis for the production of steam from alternative fuels at their Willow Island facility in West Virginia.
2. Allegheny Wood Products is conducting a feasibility analyses for the conversion of several gas-fired wood dry-kilns to woody biomass-fired.
3. The WVU Biobased-Materials Center has been developing maps for the Mountain Institute that detail the relationship between landfills and dry kilns in West Virginia. There is growing interest in WV to assess the feasibility of converting suitable dry-kilns from natural gas to methane derived from landfills.

Intermountain West

Intermountain Harvesting Energy Network

Gayle Gordon

Western Governors' Assoc

(303) 623-9378 ext 109

ggordon@westgov.org

The Harvesting Energy Summit 2006 was held in Colorado March 27-28. The Energy Network is bringing together agriculture, business and environmental leaders from CO, NM, WY, NV, UT, AZ, and KA. A session on biomass and bioenergy was well-attended and featured speakers from NREL, CO Energy Office, CO Forestry, and a financial institution. Presentations and summaries are on the web site.

Connecticut and Vermont

Rick Handley

Northeast Regional Biomass Program

(518) 899-9572

rhandley@nycap.rr.com

Two biodiesel workshops are scheduled in the region:

2006 UConn Biodiesel Consortium Spring Workshop: Production and Use of the Fuel of the Future; May 9, 2006 in Storrs, CT. To register call (860) 877-4163 ext. 3011

Co Sponsored by UConn, Eastern Connecticut Conservation District, and UConn Office of Environmental Policy

The Vermont Biofuels Association 2nd Annual Biodiesel Workshop: "Meeting The Energy Challenge" June 8, 2006 at the Vermont Law School in S. Royalton, VT; Register online at <http://www.vermontbiofuels.org/>; Cosponsored by The Vermont Biodiesel Project, Vermont Department of Public Service, Vermont Fuel Dealers Association, Vermont Sustainable Jobs Fund, and the Institute for Energy and the Environment.