

Biomass and Bioenergy: Lessons from other northwest states

David Sjoding Northwest Clean Energy Application Center

Montana Environmental Quality Council March 4, 2010

Initial Perspectives and comments

- The multi-state Northwest team has worked together since 1982 It helps a lot
- Pay attention to the value of the dollar: Commodities serve as a protection against a weak dollar. The ripple effect is a much stronger drive for liquid biofuels
- Track the reform progress of the Commodity Futures and Trading Commission
- We need a strong focus on reducing forest fire danger/forest health
- Washington Bioenergy Team Weekly meetings
- Co-products improve economics





Washington did its own Biomass Inventory

Washington competed its inventory in 2005 – Dept of Ecology, Waste2Resources funded

- County Level 44 Feedstocks at sustainable levels
- With biomass chemical characteristics
- 16.9 dry tons with about half woody biomass
- Approximately 70% above the DOE Billion Ton report
- Website

http://www.pacificbiomass.org/WABiomassInventor y.aspx

Reduces the cost of feedstock due diligence

Washington Update of Biomass Inventory

Key change is in forestry

- Looking at 19.6 million dry tons
 - Logging slash is coming out of the woods on an increasing basis (pre BCAP) Increasing supply
 - Wood waste demands are also increasing
 - Eastern Washington Biomass Accessibility Study, Elaine Oneil, University of Washington
 - "Investment Grade" supply study of Olympic Peninsula (excluding the national forest) by Olympic Natural Resource Center – Triggered by ARRA Stimulus funds



Stimulus Funds: Washington Woody Biomass CHP Wins Big!

- 4 projects 114.4 MWc funded for \$26.25 million
- Requests: 9 projects, 181.4 MWc
 - Mostly on the Olympic Peninsula and in the Puget Sound region
 - An additional 95 MWc are in the works on the Olympic Peninsula
 - Implications:
 - If you own it, you control it Long term supply
 - Will there be any woody biomass available for biofuels (cellulosic ethanol or drop in fuels)?



Washington & Stand Alone Biopower (No CHP)

An area of state concern

- 2009 Legislature ESSB 6170 Section 2 (e) "Avoid interfering with the current working area for forest biomass collection surrounding an existing fixed location biomass energy production site." Dept of Natural Resources enabling legislation
- We have growing feedstock competition and policy competition
- We should use our feedstock efficiently (drying and CHP)
- Are we trading one set of green/rural jobs for another and lesser set?
- Bill Carlson's analysis is appreciated (national expert on contract with Northwest Energy Biomass Study)



Biochemistry & Waste Streams – Apre's Vin

<u>Beyond Waste – Every Organic Waste Stream a Revenue</u> <u>Stream – Dept of Ecology</u>

- Growing grape seeds & skins wastes "Hot" with interesting biochemistry
- Now many products: Ethanol, brandies, tartaric/tannic acid recovery, grape seed oil, press cake, spent yeast as high protein, balsamic vinegar etc.
- We need many "George Washington Carver" biochemists http://www.pacificbiomass.org/documents/BeyondWaste_Winecylcling_Leber.pdf
- Borgford Bioenergy Re-starting the forest products industry
- 7 products: Specialty beams, biochar, 9.4 MW
- Mini-biorefineries

Oregon Economic Development – Rough & Ready Lumber

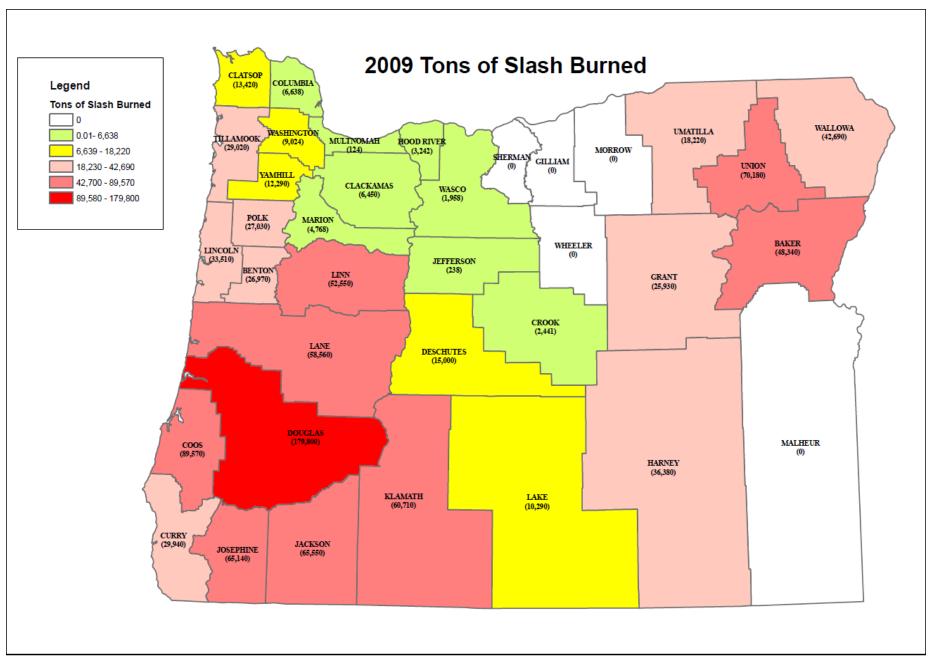
An amazing set of state incentives & actions

- A 1.28 MWc CHP project using mill waste with funding support from: 1) Energy Trust \$1,700,000); 2) USDA \$500,000 grant and \$2,350,000 loan; and 3) OR Dept of Energy
- \$1,250,000 business energy tax credit
- Working to preserve the Oregon forest products industry
- Oregon PUC Distributed Generation in Oregon: Overview, Regulatory Barriers and Recommendations with strong implementation

http://chpcenternw.org/NwChpDocs/DistGenInOregon_Overview_RegBarriers_Reccomendations.pdf

• Don't over due the incentives – BETC story





Washington Woody Biomass Studies/Research

A number of studies have been done or are underway

- EPA Region 10, WA Dept of Ecology ORCAA study: Air Quality & Climate Implications of Options for Woody Biomass Life cycle assessment and a range of fates
- Wood to Energy in Washington, Univ. of Washington,
 2009
- Washington State Pulp and Paper Mill Boilers, Univ. of Washington, 2009
- Dept of Ecology Beyond Waste Strategy 8 studies
 - Topics include steam explosion, pyrolysis emissions, biorefinery designs, biochar, high solids digesters, pretreatment & economics

Moisture – The target

- Major efficiency gains to reduce moisture content of the fuel
- Biomass Drying and Dewatering for Clean Heat and Power

http://www.chpcenternw.org/NwChpDocs/s/BiomassDryingAndDewateringForCleanHeatAndPower.pdf



Bioenergy Policy choices

Which policy tectonic plate will win? Do we maximize:

- Biofuel production 36 BGY? Get out of middle east
- Biopower production Renewable electricity standards
- Pellets and torrefaction cubes for Asia and Europe Kyoto
- Biochar Carbon negative and healthy soils
- Maximize rural economic development Which end use yields the most rural jobs, And, who owns?
- Or, are we trading one set of green jobs for another? The forest products/pulp & paper industry can be helped or hurt
- Sustainability is an overriding key value Right?
- What about compost and beauty bark?

MONTANA OBSERVATIONS

Focused attention needed

 Certified Industrial Energy Efficiency Specialists are lacking – Steam, process heating, pumping systems, compressed air, fans, and CHP expertise – A Northwest collaboration – See

http://chpcenternw.org/NwChpDocs/Industrial_Energy_Efficiency_and_CHP_Qualified_Specialists.pdf

- Biomass CHP and the utilities A very smooth working relationship with a strong policy framework helps
- The interconnection scorecard Freeing the Grid 2009 http://irecusa.org/



ENERGY EFFICIENCY STANDARDS

Several states require energy efficiency programs

- WA Voter Initiative 937 Cost effective conservation targets over a 10 year period
- OR Systems Benefit Charge Energy Trust of Oregon
- Why? Stretching our lower cost power as far as possible
- Northwest Power & Conservation Council 6th plan is now complete

http://www.nwcouncil.org/energy/powerplan/6/default.htm

- The interstate compact priorities are:
 - Energy efficiency
 - Renewable energy
 - CHP/Cogeneration
 - Standalone baseload power





Pacific Region – A six state-based team of AK, HI, ID, MT, OR & WA www.pacificbiomass.org **\$Over 100 Million in biennial state funds** Functions as a team since 1982 Taken together: A "Complete Program" – Near, mid and long term research; development; demonstration; deployment; policy analysis & legislation; information; outreach Strong ties to USDA.

Northwest Clean Energy Application Center

About the Center

- A multi-state effort AK, ID, MT, OR, & WA
- WSU Extension Energy Program serves as lead
- 100 plus Regional CHP projects totaling over 1,300 MWc
- District energy & waste heat recovery also included
- 94% industrial projects
- Technical assistance information, reports and case studies
- Problem solving & trouble shooting
- Website www.chpcenternw.org
- Support of regional & state CHP initiatives

