

Quick Hits

hot off the press

MDARD/DNR offer NIPF aid

The Michigan Dept. of Agriculture and Rural Development and the Dept. of Natural Resources have launched a joint initiative to increase management of non-industrial private forests (NIPF).

Thirteen foresters will deliver services to private landowners through Soil Conservation Districts in 31 counties, providing technical assistance that includes forest land assessments and management objectives, which can be used for writing forests management plans that could qualify for tax advantages under the Qualified Forest Act program.

Rollcast lands USFS grant

Rollcast Energy, asset manager for Cadillac Renewable Energy, has been awarded a \$250,000 biomass utilization grant from the U.S. Forest Service for its 50-megawatt (MW) Greenway, Georgia biomass project.

Grant funds will be used to optimize the plant's utilization of low-value biomass.

Cadillac Renewable Energy is owned by Atlantic Power.

Torrefaction gets grant

Michigan Renewable Carbon, formerly RenewaFuels in Marquette County, has received a \$2 million business development program incentive from the Michigan Strategic Fund to produce torrefied biomass products.

The Power of Wood

News and Updates for Michigan's Biomass Industry.

Michigan Biomass is an advocate for and supported by the state's wood-fired power plants. Visit www.michiganbiomass.com for more information.

Regional forest plans released

The Dept. of Natural Resources (DNR) has released state forest regional management plans for public comment.

The draft Regional State Forest Management Plans are aimed at better informing and guiding management and operational decisions related to wildlife habitat and timber production.

The major plans include the western Upper Peninsula, eastern Upper Peninsula and northern Lower Peninsula and contain about 100 detailed area management plans.

The public comment period ends Jan. 2, 2013. Visit michigan.gov/dnr for more information and how to participate.

Escanaba sale advances

Financing is moving forward for Escanaba Green Energy (EGE), which wants to buy the City of Escanaba's power plant and convert it to biomass.

A recent report in the *Daily Press* said the city has received a letter of commitment from EGE's lender, and that Federal Energy Regulatory Commission has approved the pending operation as a merchant plant.

Progress on the \$1.6 million deal has hung in limbo as EGE started to secure financing. The company agreed earlier this month to pay the city's legal costs resulting from the pushed-back deadline.

Several companies had courted the city over the past two years to buy the 50-MW coal plant, which was shuttered because it was more cost effective for the city to buy power from the wholesale market.

Legislative update (legislature.mi.gov)

All these bills await action in the senate.

SB 1238 would modify the makeup of the Natural Resources Trust Fund board, which makes land acquisition recommendations for funds derived from the lease and sale of state natural resources. The bill would expand the board from five to seven members, with two appointed from a list of nominees presented jointly by the house speaker and the senate majority leader, and limit commissioners to two four-year terms. It would also modify the criteria the board uses for acquisition, giving priority to lands with motorized access, acquisitions receiving local support and in counties with 50% or more of the land privately owned. It also requires reports to the legislature.

SB 1280 would create a two-term limit for Natural Resources Commissioners, and moves authority for appointing the director of the Dept. of Natural Resources (DNR) from the commission to the governor.

SB 1276 would effectively repeal the state's Living Legacy Program that seeks to preserve certain representative ecosystems, or convert or manage certain landscapes into such ecosystems. It would prohibit the state from managing lands specifically for biological diversity.

DNR staff, in releasing details of the program for the northern Lower Peninsula in 2010, projected that the program could reduce timber harvest in the region from 7% to 10%.





Qualified Forest Act bills move

A package of bills to modify the Qualified Forest Act that promotes forest management plans on non-industrial private forestlands (NIPF) has passed the senate and awaits action in the house.

A house-passed plan earlier this year found no traction in the senate, where Sens. Tom Casperson (R-Escanaba) and Darwin Booher (R-Evart) authored their own eight-bill package that:

- Provides a 16-mill tax exemption to eligible NIPF property owners and earmarks an additional 2 mills for program administration.
- Reduces eligible parcel size to 10 acres with 50% forest cover.
- Reduces penalties for early withdrawal from the program.
- Doubles maximum total enrollment to 2.4 million acres.
- Allows certain buildings and structures.
- Moves responsibility for the program from the Dept. of Natural Resources to the Dept. of Agriculture and Rural Development, utilizing conservation district offices as the delivery point of certain services.

The bills — SB 1057 through SB 1062 — await final action in the senate while funding bills SB 1287 and 1288 are playing catch up in the senate Natural Resources, Great Lakes and Environment Committee.

API project slowed

Ethanol producer American Process Inc. (API) continues to make progress on its facility under development at Decorative Panel International (DPI) in Alpena, albeit slower than expected.

According to an Alpena News report API took over treatment of DPI's effluent in May, but they've run into technical problems in production. It could be January before build is back on track.

The company plans to produce cellulosic ethanol, standard denatured ethanol and aqueous potassium acetate, a deicing agent, using DPI's pulping byproducts.

Read more at alpenabiorefinery.com and thealpenanews.com.

Michigan tops biomass power data

The U.S. Energy Information Administration (EIA) monthly power report for June showed Michigan ranked first in its region in total biomass power generation with 199,000 MWh. The region includes Illinois, Indiana, Ohio and Wisconsin. This figure includes industrial and combined heat and power (CHP) applications as well as non-wood biomass sources.

The data was compiled by Biomass Power and Thermal Magazine.



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Nationally there were 1.657 million MWh of power produced in June 2012 by independent power producers (IPPs) from wood and wood-derived fuels, up 8 percent from this time last year.

The industrial sector accounted for 2.1 million MWh of wood power for the month. IPPs generated 724,000 MWh and utilities 128,000 KWh.

California led all states with 491,000 MWh total biomass production, followed by Maine at 330,000 MWh.

NON-HYDRO RENEWABLES DOUBLES U.S. EIA figures also indicate non-hydro renewable electricity generation has nearly doubled under President Barack Obama, reaching 5.75% of net production, up from about 3% in 2008, an increase of about 79%. Solar is up 285%, wind 171% and geothermal 13.53%. Biomass production fell a half percent during that time.

The report, from the Federal Energy Regulatory Commission's Office of Energy Projects, says 229 renewable energy projects have been built since 2008, accounting for 38% of new electrical generation capacity: 50 wind energy projects, 111 solar, 59 biomass, five geothermal and four hydro. Forty new natural gas units have come on line, representing 42% of all new capacity.

Coal generation dropped 20% since May of 2011, attributed to a switch to natural gas.

In 2011, global investment in renewable energy surpassed investments in fossil fuels for the first time. Since 2004, one trillion dollars have been invested in the global clean energy sector.



STABENOW RECOGNIZED: U.S. Sen. Debbie Stabenow was recently honored as a friend of biomass by the Biomass Power Association. Making the presentation are Joe Daulton, IP-GDF Suez NA; James Charles, Fortistar Group; Phil Lewis, Grayling Generating Station; Tom Vine, Viking Energy/McBain; and Gary Melow, Michigan Biomass.