

News and Updates for Michigan's Biomass Industry.

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

Quick Hits

hot off the press

Court rejects permit suit

An Ingham County circuit judge has upheld an air permit issued for a proposed co-fired power plant.

The judge affirmed issuance of the permit for a proposed 600-mega-watt (MW) coal and biomass plant that Wolverine Power Cooperative wants to build near Rogers City.

The Sierra Club and the Natural Resources Defense Council filed the suit in September seeking to reverse a successful appeal in which a Missaukee County judge said the state had no basis for initially denying the permit.

No word from Wolverine on whether they will proceed with construction.

MSU going greener

"Go green" at Michigan State University will be more than an enthusiastic cheer at Spartan sporting events after the Board of Trustees approved a measure to get 40% of its energy from renewable resources.

A significant component of the plan is a \$5 million anaerobic digester that will annually convert 22,000 tons of animal and food wastes generated on campus into electricity.

TAC meets

The Michigan Timber Advisory Council met in March for the first time. The group is charged with finding ways to improve the state's timber resources and grow the timber-based economy.

Biomass leads renewables

The Michigan Public Service Commission (MPSC) in its annual report says there were more than 11.2 million renewable energy credits (RECs) registered in the state in 2011, and biomass power accounts for 44% of them. Landfill gas was a distant second.

\$100 million was spent on new renewable capacity in 2009 and 2010 totaling 1,041 MW that is expected to be installed by year-end. Of that 94% (991 MW) is in wind, the rest is landfill gas, solar, and one biomass power contract with L'Anse Warden Electric in Baraga County.

Seventy-eight utilities filed renewable energy plan (REP) updates last year; 65 of those included energy efficiency plans. Last year the MPSC approved 57 renewable energy contracts totaling 307 MW – 57 of those were small solar installations. The net metering program had 628 customers representing 2.8 MW.

Consumers Energy Co. and Detroit Edison Co. are on track to exceed their respective requirements to install 500 MW and 600 MW of new renewable generating capacity by 2015.

The report pegs "levelized" pricing at \$91.19 per megawatt hour (MWh), which is below the \$133 to \$107 that it would cost if produced by a modern coal-fired power plant — a figure the MPSC uses as a guidepost to track cost effectiveness. The report said the cost of renewables continues to trend downward.

Michigan forestlands grow

The U.S. Forest Service has released its latest data (2009) on Michigan's forested lands, which are gaining.

The report covers more than 7,000 plot samples taken from 2005-09 and describes more than 19.9 million acres of forest land; 62% of which is privately owned.

The maple/beech/birch forest type accounts for 18% of the state's forest land, followed by aspen (13%); and oak/hickory (7%). Balsam fir, red maple, and sugar maple are the three most common species.

Growing-stock volume on timberland has continued to increase totaling 28.7 billion cubic feet. Associated net growth was 698 million cubic feet with 311 million cubic feet harvested and 272 million cubic feet lost to mortality.

The report also includes data on forest health, biomass volumes and usage, land-use change and timber product outputs.

MPSC rejects WEPCO plan

An administrative law judge has recommended that the MPSC reject the renewable energy plan (REP) update filed last year by Wisconsin Electric Power Co. (WEPCo.)

WEPCo. claims it cannot meet Michigan's renewable portfolio standard (RPS) of 10% renewable energy by 2015 without exceeding the cap on the renewable surcharge that consumers pay.

TOTAL RECS

- Biomass44%
- Landfill gas14%
- Hydro12%
- Wind10%
- MSW8%
- Industrial wastes5%
- Co-gen3%

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WEPCo. says it can only achieve 4.5% of the standard required in Public Act 295 of 2008. WEPCo. wants to use the wind power in its Wisconsin system to meet the requirements.

The RPS requires generation to meet the requirements come from inside Michigan.

The City of Eaton Rapids and Detroit Public Lighting District have also indicated they cannot meet the standard, which starts ramping up this year with a 2% requirement.

Michigan 12th in green jobs

The Bureau of Labor Statistics ranks Michigan 12th in the number of jobs related to renewable energy.

The Detroit Free Press reported that 2.1% of Michigan's jobs are in businesses that produce goods or provide services that benefits the environment or conserves natural resources. Nationwide there were 3.1 million green jobs in 2010, which was about 2.4% of the country's total employment.

In Michigan, 64,615 or 81% of its 79,771 green jobs were in the private sector. Construction, natural resources and mining, and manufacturing had the highest percentage of green jobs.

25 x 25 is focused on wind

Supporters of a proposed amendment to the Michigan constitution to increase the state's 10% by 2015 renewable portfolio standard to 25% by 2025 are focused on wind.

New turbine technology and tower heights increasing from 70 to 100 meters will tap more wind energy to meet the lofty standard, particularly in the southern Lower Peninsula. Solar technology is expected to fill in any gaps starting about 2020, according to Doug Jester of 5 Lakes Energy, which is helping spearhead the initiative. Biomass is expected to serve about 1% of load, which is about where it is today. That includes landfill gas and anaerobic digestion.

Existing biomass power facilities produced just under 1% of the state's total power generation in 2010.

Wind power development under the "25 x 25" scheme would generate significant construction and manufacturing jobs, most of which would disappear after construction is complete.

Unlike wind and solar energy, biomass power supports continuous jobs in fuel handling, processing and transportation.

Supporters are currently gathering petition signatures to put the

25 x 25 constitutional amendment on the November ballot.

BCAP back on

The Biomass Crop Assistance Program (BCAP), once labeled a federal farm program gone wrong, is "back on."

In April the U.S. Senate Committee on Agriculture, Nutrition and Forestry adopted an amendment that restores \$800 million in mandatory funding for BCAP in the 2012 Farm Bill.

BCAP provides incentives to providers of biomass feedstock as a means to increase material available for bioenergy production. The U.S. Dept. of Agriculture put the brakes on the program in 2010 amid criticism it was too costly and skewed markets.

The "new" BCAP reportedly includes fixes proposed by the USDA and industry.

The measure must still pass the full Senate and House.

COMMENT: Our forests are in good hands.

An article penned by the Natural Resources Defense Council and printed in a local newspaper recently asserts that "... (utility) companies are now looking to cut down forests and burn them for biomass for generating electricity."

Rest assured, no one is cutting down Michigan's forests for energy, nor is anyone proposing to – not here, not anywhere.

Opponents of biomass power continue to ignore the fact that the biomass power industry, in Michigan and across the nation, is sustainable — even by their rigid standards. Biomass energy is a clear example of "reduce, reuse, recycle" at its best.

NRDC and similar groups seem to overlook this fact in their rhetoric, and admits that "Typically unmarketable trees, brush and logging debris becomes the feedstock for biomass processing plants."

Michigan's biomass power plants have extracted the last bit of value from the forest resource for 30 years. It is the leading producer of renewable energy in Michigan — and nationwide — and is done with up to three times more permanent jobs than other renewable energy systems and at unsubsidized costs competitive with wind.

Michigan has more forests today than it did 60 years ago despite a half century of harvesting and 30 years of biomass power production. The proof of its benefits is in the pudding: Today's forest regrowth out-paces harvest and mortality three to one. NRDC and others like them have no factual legs to stand on.



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