



23 July 2014



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## **Southern Bioenergy Network News – July 2014 Edition**

Dear Southern Bioenergy Network Partners,

Welcome to the July 2014 edition of the Southern Bioenergy Network News. Lots of activity at the national level is helping to reshape the business and regulatory environment for bioenergy. However, bioenergy stakeholders must be informed and prepared to engage officials and the public to keep bioenergy as an effective and substantial part of our energy future. Some highlights from the past month include:

### **Clean Power Plan**

The U.S. EPA published its [proposed rule](#) to regulate carbon emissions from existing power plants in the Federal Register on June 18, officially opening a 120-day comment period. The proposal, officially titled the Carbon Pollution Emission Guidelines for Existing Stationary Source: Electric Utility Generating Units, or the Clean Power Plan, was [first announced by the EPA](#) on June 2. Public comments on the proposal will be accepted through Oct. 16. Comments can be submitted online via the [Regulations.gov website under Docket ID: EPA-HQ-OAR-2013-0602](#). The Clean Power Plan gives states the flexibility to choose the best set of cost-effective emission reductions for them by setting a state-specific goal and allowing states to work individually or in regional groups. The Clean Power Plan also recognizes that using biomass fuels for energy can provide important carbon emission reduction opportunities. It is important that advocates work to ensure that states include biopower as part of any emission reduction plan.

### **Tailoring Rule**

On June 23, the Supreme Court, in a 5-4 decision, invalidated the Tailoring Rule saying that greenhouse gas (GHG) emissions from large stationary sources cannot automatically trigger Prevention of Significant Deterioration (PSD) or Title V requirements, but if the facility triggers PSD/Title V permitting for one of the six major pollutants, then the “best available control technology” (BACT) portion of the permit application must cover GHG emissions as well as the other pollutants. The Court did not address biogenic emissions as that was not at issue in the case. Read the decision [here](#).

### **Biogenic Carbon Accounting Framework**

Biogenic carbon is a significant issue because the EPA has not yet finalized the accounting framework the government will use to assess biogenic carbon emissions. We are pushing for an accounting framework that is simple, workable, and recognizes that the fuels our industry uses are unquestionably beneficial in fighting climate change. The EPA could publish for public comment an updated version of their draft framework as soon as in the next two to three weeks. However, we are still uncertain what format the proposal will take and if the key points we have been pushing will be considered. Again, bioenergy proponents will need to be ready to respond.



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## **Renewable Fuel Standard**

On the biofuels front, a diverse set of researchers offers their perspectives on how sustainably deployed biofuels help can help society achieve many “win-wins” by supporting important environmental, economic, and social goals. In contrast, they question how continued massive reliance on liquid fuels from fossil materials can achieve positive environmental outcomes, especially higher carbon options such as oil sands, deep water drilling, natural gas-to-liquids and coal conversion. Read [Biofuels Can Support Environmental Economic Social Goals](#).

We continue to monitor EPA’s efforts to set the 2014 RFS Renewable Volume Obligation targets for blending of biofuels. The EPA is now projecting the final RVO rule will be published in September.

## **National Bioenergy Day**

SAFER/25x’25 is asking our Southern Bioenergy Network partners to help promote National Bioenergy Day, recruit local companies/organizations to host an event, and recruit local sponsors. National Bioenergy Day 2014 will be held on Wednesday, October 22. Download the [participation form](#). Please circulate to potential event sites and/or indicate your own participation. Also, download and share the [promotional flyer](#) that provides more information about National Bioenergy Day and sponsorship opportunities. With National Bioenergy Day, bioenergy advocates hope to engage citizens, media, and community and state leaders and use this event to highlight the use of bioenergy as a clean, efficient, resourceful way to power and heat homes, businesses and commercial operations and to produce the next generation of clean biofuels. The event can also feature production and conversion methods of sustainable biomass resources.

## **Be a SAFER Alliance Partner**

Thanks for your continued support of the Southern Bioenergy Network and of SAFER. If you have not yet done so, I want to invite you to you to become a partner of SAFER. Please go to the SAFER Alliance website at [www.saferalliance.net](http://www.saferalliance.net) and look for the “Partners” link. [Joining](#) is easy and there are no membership fees. Your support and partnership is greatly appreciated!

Sincerely,

A handwritten signature in blue ink that reads "Brent Bailey".

Brent Bailey  
25x’25 Alliance  
State Activities Coordinator  
SAFER Alliance  
Project Coordinator



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## **News from around the world and around the nation that impacts our region's bioenergy development vision:**

### **International**

BP's [annual report](#) on proved **global oil reserves** says that as of the end of 2013, Earth has nearly 1.688 trillion barrels of crude, which will last 53.3 years at current rates of extraction. This figure is 1.1 percent higher than that of the previous year. During the past 10 years proven reserves have risen by 27 percent, or more than 350 billion barrels. OPEC nations continue to lead the world by having a large majority of the planet's reserves, or 71.9 percent.

The Renewable Energy Policy Network for the 21st Century, better known as REN21, issued its latest annual update showing that with the support of policies implemented in the developing world, **global renewable energy generation capacity has jumped** to record levels. See REN21's [Renewables 2014 Global Status Report](#).

### **National**

**Solar, wind, biomass, geothermal and hydropower provided 55.7% of new installed US electrical generating capacity** in the first six months of 2014 according to a [new report](#) from the Federal Energy Regulatory Commission.

Clean Edge today released its [2014 U.S. Clean Tech Leadership Index](#), which tracks the **climate and clean-tech activities** of all 50 states and the 50 largest metro areas in the U.S. The Index covers nearly 150 total indicators and 15,000 unique data points, including EV, green building, renewables, energy storage, and clean-tech investment and patent activity.

States are well positioned to implement the Environmental Protection Agency's (EPA) **Clean Power Plan**, according to a [new report](#) from Analysis Group's electric industry and economic experts.

A new report released by Ceres and partners show that the **Fortune 100 companies reporting on climate and energy** targets have collectively saved \$1.1 billion annually and decreased their annual CO2 emissions by approximately 58.3 million metric tons – the equivalent of retiring 15 coal-fired power plants. The report is titled [Power Forward 2.0: How American Companies Are Setting Clean Energy Targets and Capturing Greater Business Value](#).

The **U.S. economy faces significant risks from unmitigated climate change** according to a new report that presents a new approach to understanding these risks for key U.S. business sectors, and provides business leaders with a framework for measuring and mitigating their own exposure to climate risk. Because of its size and geographic diversity, these risks vary greatly between regions. [The Economic Risks of Climate Change in the United States](#)



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The **energy programs in the farm bill**, such as the Rural Energy for America Program and the Biorefinery Assistance Program, have made significant contributions to the agricultural sector, according to a [white paper from the University of Illinois](#).

[The EPA has approved a rule that allows LNG and CNG produced from biogas to qualify as cellulosic biofuel](#) along with **biogas**-powered electricity for electric vehicles. [Other rules](#) including those relating to the use of crop residue as feedstock as well as smaller refineries were released.

## Regional

An online web [glossary of bioenergy terms and biofuel conversion processes](#) and equipment continues to expand under the IBSS effort. The online content developed by Tuskegee University faculty contains a glossary of biofuel terms, web modules with a visual encyclopedia of conversion equipment, web modules on biofuel conversion systems, and animated video clips to explain conversion processes. See more in the July 2014 Edition of the [IBSS Newsletter](#).

## In the States

### Arkansas

The Union of Concerned Scientists has [published an analysis](#) that estimates the U.S. could sustainably use nearly 680 million tons of **biomass** annually by 2030, which is enough to produce more than 10 billion gallons of ethanol or 166 billion kWh of electricity. The analysis highlights the biomass potential of Arkansas, which leads the nation in rice production, ranks second in poultry, and third in cotton production. With an estimated 10.3 million tons of agricultural residues expected to be available in 2030, the state is poised to become a leader in bioenergy production.

### Florida

[SunState News](#) is a news digest and coalition bulletin board from the **Florida Renewable Energy Association** (FREA). Look here for news stories, organizational notices, and useful links pertaining to the development of renewable energy in Florida and around the world.

Beginning this fall, South Florida State College will offer a [Bioenergy Education Program](#) to provide students with a foundation of environmental sciences and renewable energy. The program offers an Associate in Science degree in **Biofuels Technology and Biomass Cultivation**. The Biofuels Technology track prepares individuals to work in a biorefinery facility, and the Biomass Cultivation track prepares students to work in agricultural production of feedstock.

### Georgia

[Drax Biomass is moving its headquarters](#) to the Atlanta, Georgia, suburb of Sandy Springs. **Drax** is currently developing a 450,000-ton-per-year Morehouse BioEnergy pellet project in Bastrop, Louisiana, a 450,000-ton-per-year Amite BioEnergy pellet plant in Gloster, Mississippi and has plans to develop an



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additional 450,000-ton-per-year project in Magnolia, Mississippi. The company may also be developing a fourth project in Abbeville County, South Carolina.

[E-Pellets Group LLC acquired the formally boarded up Louisiana Pacific OSB mill](#) in Athens, Georgia, to convert it into a **wood pellet production** facility. The facility is expected to produce 450,000 metric tons annually by August 2015.

### **Iowa**

Galva, Iowa-based Quad County Corn Processors is now [producing cellulosic ethanol](#) through its 2 MMgy Adding Cellulosic Ethanol (ACE) project, which converts **corn kernel fiber into fuel**.

### **Kentucky**

The Kentucky Dept. for Energy Development and Independence received a \$250,000 grant from [USDA-Forest Service](#) to support a **Kentucky Statewide Wood Energy Team**. Wood Energy Teams help to stimulate the development of additional wood energy projects in their states. Activities may include workshops that provide technical, financial and environmental information, preliminary engineering assessments and community outreach needed to support development of wood energy projects.

### **Mississippi**

KiOR is [laying off employees](#) as it idles its Mississippi refinery, intensifying questions about the future of the cash-strapped company. The company recently cut 18 employees while 55 employees remain at the Columbus plant. The plant stopped production in December 2013, when it had about 100 employees. The state of MS has given the company [4 additional months to catch up on its loan payments](#) before it moves to force the company into bankruptcy and seize its Columbus refinery.

### **North Carolina**

[The N.C. Bioenergy Research Initiative](#) recently awarded \$500,000 in grants for [six new research projects](#) to **boost bioenergy opportunities** and production in the state, according to Agriculture Commissioner Steve Troxler.

[US DoE announced](#) Research Triangle Institute (RTI) will receive \$3.1 million to maximize the **biomass carbon and energy recovery** in a low pressure process, therefore lowering production costs, to produce a bio-crude oil that can be efficiently upgraded into a finished biofuel.

Alter Energy Group AG announced it has signed a letter of intent to [acquire a pellet plant located in North Carolina](#). During the first phase, the facility will produce at a capacity of at least 110,000-metric-tons/year, with operations beginning as soon as October, and increasing capacity to 250,000-280,000 metric-tons/year in phase two during the spring and summer of 2015.



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The U.S. Economic Development Administration [announced](#) that the city of Clinton will receive \$1.76 million to construct water and sewer infrastructure to support **Chemtex International Inc.**'s Project Alpha, a proposed 20 MMgy cellulosic biofuel plant.

[Lumbee River EMC](#) has been awarded \$940,000 in federal loans and grants to help finance a generator for its **landfill gas mitigation** project. The US Economic Development Administration is providing a loan of \$640,000 and a grant of \$300,000 as part of the Rural Economic Development Loan and Grant.

State officials and contractors cut the ribbon [celebrating the grand opening](#) and touting the environmental and financial benefits of North Carolina's largest **swine waste-to-energy facility** thanks to the steady supply of manure from 28,000 hogs and an investment of \$5 million project.

County officials and representatives of Duke Energy and INGENCO celebrated the [South Wake Landfill Gas-to-Energy Facility](#) of 14 turbocharged engines producing 4 megawatts of power.

## South Carolina

The South Carolina Clean Energy Business Alliance (SCCEBA) is leading a "**Farm to Fly 2.0**" project to effectively create a "match.com" type of opportunities listing for fuel companies to get to know states and localities for biofuels. The project will expand to a fully national program that recognizes that all projects are local and require full supply chain engagement, from growers through end users.

The USDA Office of Rural Development has [awarded](#) two grants to the South Carolina Clean Energy Business Alliance (SCCEBA) that will pave the way for **transportation biofuel investments** for commercial and military use. SCCEBA will receive two Rural Business Enterprise Grants (RBEG) totaling \$150,000 to work with economic developers in Colleton and Clarendon Counties. The grants will fund one study in each county.

**Drax Biomass** may elect to develop a [new pellet plant](#) in Abbeville County, South Carolina. The county recently passed an ordinance that would allow the company an option to purchase a 119 acre tract of land. In February, the Drax Group said it was pursuing options to develop up to 2 million tons of additional pellet capacity, primarily in the U.S.

[Clemson University](#) has received a [\\$78,000 grant from South Carolina Sustainable Agriculture Research and Education](#) to teach farmers about incorporating **renewable energy and other sustainability techniques** into their farm management. Implementation of oil seed crop and biodiesel production along with passive solar energy and waste-to-energy will be included in the extension program.

## Tennessee

[Genera Energy Inc.](#) has joined the **Southeastern Partnership for Integrated Biomass Supply Systems** (IBSS) project. The partnership will leverage a series of ongoing projects already in development by the partners, focused on feedstock development, production, harvesting and logistics, systems evaluation and sustainability, biorefinery conversion and product distribution.

## Texas



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NRG Energy [announced](#) that it has been hired by privately held InventivEnergy to restart the former **Aspen Power 50 MW biomass plant** in Texas that shut down almost two years ago. After becoming the state's first wood-based biopower plant, the facility shut down in 2012 due to "market economics." Commercial operations are expected to be achieved by late July.

## Virginia

The Virginia Advanced Energy Industries Association (VAEIC), worked this past spring and summer to [forge more than 70 recommendations](#) for Gov. Terry McAuliffe and the General Assembly to consider. VAEIC says **cleaner energy policies** and markets are flourishing globally and throughout much of the U.S. but not in the Commonwealth of Virginia.

## Events

**Webinar: [Biomass-Fueled CHP: A review of today's market and technology.](#)** - July 25 at 1PM ET.  
Recent federal policy has drawn attention to the need for increased renewable and efficient energy sources, and Combined Heat and Power (CHP) technology can fulfill this demand. This free webinar from BTEC will serve as a sweeping review of CHP from a small-scale, biomass angle with a panel of experts. Topics will include a thorough overview of biomass-fueled CHP, specific CHP technologies and projects, and a characterization of the national market for CHP.

On July 29-30, 2014, the U.S. Department of Energy's **Bioenergy Technologies Office** (BETO) will host [Biomass 2014: Growing the Future Bioeconomy](#). Co-hosted with Advanced Biofuels USA, this year's conference will take place at the Washington DC Convention Center. The event will focus on the innovative technologies, priority pathways, financing strategies, and public policies needed to grow the bioeconomy of the future.

Virginia Cooperative Extension will host a 2 ½ day **workshop on energy project assessment** featuring the RETScreen program beginning August 5, 2014 in Farmville, VA. This workshop is offered through the [Agricultural Energy Efficiency Initiative: A Farm Energy Program for Southside and Southwest Virginia](#) which is supported by a 2014 grant from the Virginia Tobacco Indemnification and Revitalization Commission and by Virginia Cooperative Extension Community Viability and the Virginia Tech Biological Systems Engineering Department. For more information on this workshop, please visit: [http://www.aeei.bse.vt.edu/?page\\_id=184](http://www.aeei.bse.vt.edu/?page_id=184)

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