

THE OPPORTUNITIES AND CHALLENGES OF LARGE-SCALE BIOMASS POWER

Sierra-Cascade Logging Conference 2011

TSS Consultants

February 10, 2011



Bioenergy development consulting since 1986

- Renewable energy and fuels
- Environmental permitting and compliance
- Forestry and natural resources
- Climate change/life cycle analysis
- Fire planning and modeling

Opportunities



Benefits of Biomass Power

4

- Renewable baseload energy (unlike wind and solar)
- Domestic source of energy - Supports local economies with in-woods jobs, processing, hauling, and manufacturing
- Uses by-products of forest management, fuels reduction, and forest restoration, creating healthy forests and reducing wildfire danger
- Air quality benefits
- Greenhouse gas reduction



Creating and Maintaining Jobs

5



1 MW of
Biopower =
4.9 jobs



Reducing Wildfire

6

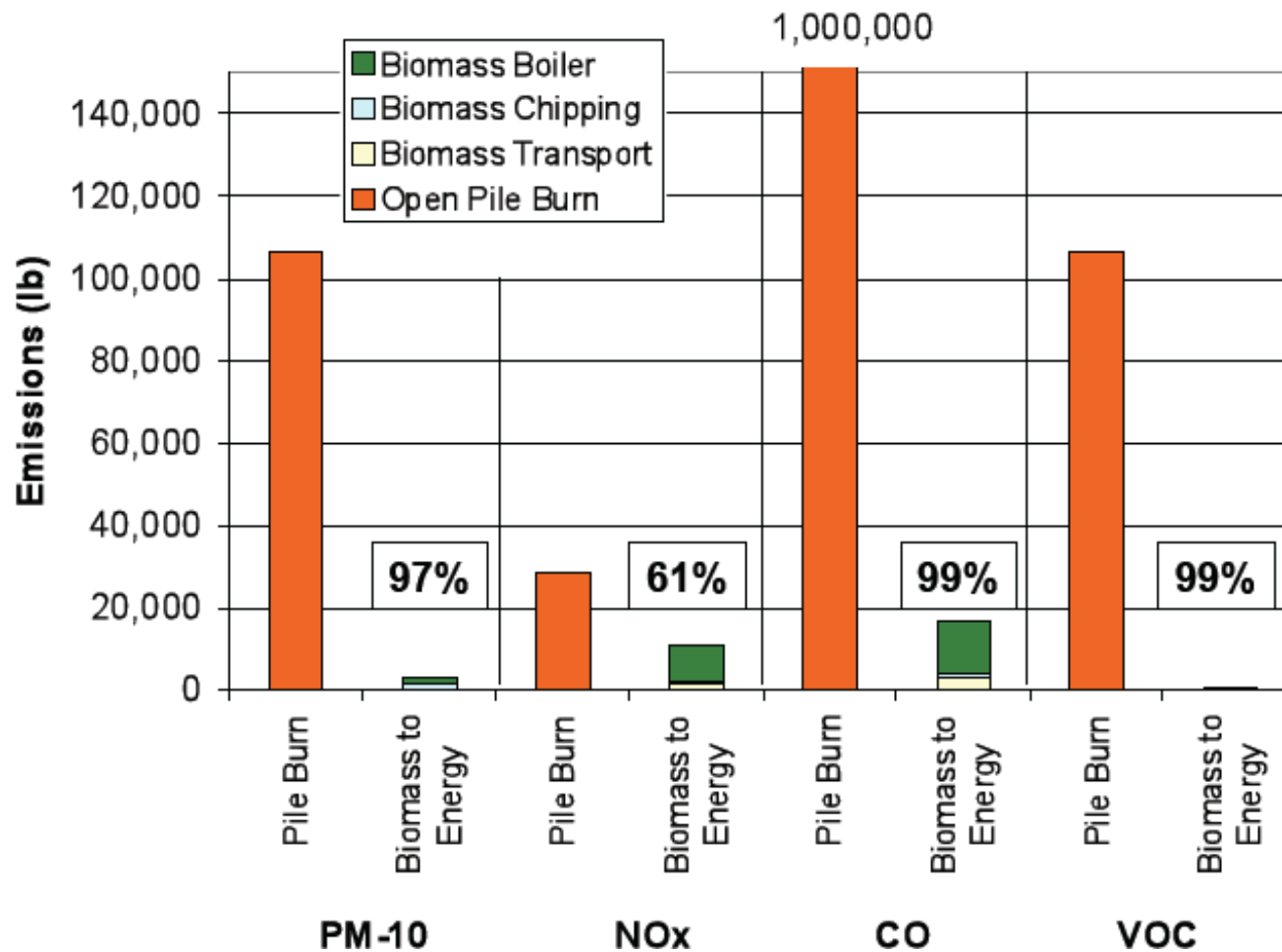


No
treatment
prior to fire

Fuel
treatment
prior to fire



Air Quality Benefits of Biopower



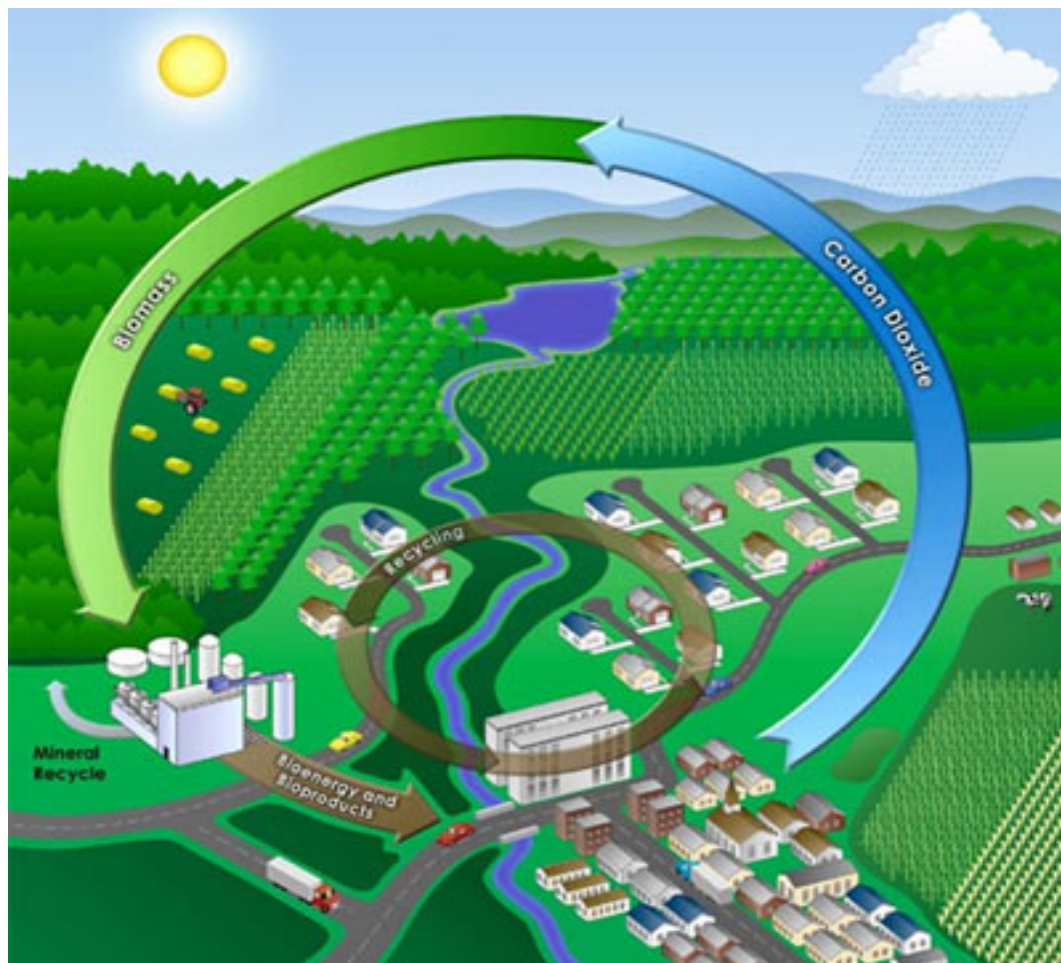
The Carbon Impact

8



Benefits of Biomass – Carbon Neutral

9



- Biomass absorbs carbon dioxide during growth of wood and green materials, and emits it during conversion
- It recycles the carbon and does not add to the greenhouse effect

Challenges



Public Perception (Misperceptions?) of Large Scale Biomass Power

11

- Scale and available/sustainable biomass fuel
- Air emissions and other environmental impacts
- Impacts on forest health
- Carbon surplus v. carbon debt

Challenging Economics

12

- Biomass fuel price increases
- Low avoided cost rates for electricity
- Difficulty securing capital

Potential Environmental Issues

13

- Air Quality
 - Greenhouse Gas Emissions
 - Water Use & Discharge
 - Land Use
 - Transportation
 - Biological Resources
 - Noise
 - Visual/Aesthetics
- and, of course, NIMBYism**



Air Quality Permitting for Biomass Power

14

- Principal air pollutants of concern:
 - NO_x (ozone precursor)
 - PM
 - VOC (ozone precursor)
 - CO
 - HAPs (particularly HCl)

- Size of plant and associated emissions critical



Carbon Debt v. Surplus

“The eye of the beholder”

15

- **Carbon Surplus** – Count the carbon storage first and the carbon release afterwards, then direct emissions are simply returning carbon to the atmosphere that has already been sequestered.
- **Carbon Debt** – Count the biomass emissions first, and then consider the the biomass regrowth is restoring the stored carbon that was emitted when it was burned

Water Quality Permitting for Biomass Power

16

- Water Use
- Water and Wastewater

Discharge

- Non-contact cooling water
- Waste water

- Storm Water

- Construction
- Operation



Biomass Power and Land Use Issues

17

“Brownfield”



“Greenfield”

Land Use Permitting for Biomass Power

18

- Siting
- Zoning Conformance
- Condition Use Permits
- Community Acceptance
- California Environmental Quality Act

CEQA!

19

- CEQA – The California Environmental Quality Act*
- Purpose – to inform the public of environmental decisions by CA agencies
- Public process driven
- For biomass power plants usually led by land use or air quality agencies

* a.k.a. Consultants Employment in Quantity Act



Basic CEQA Components

20

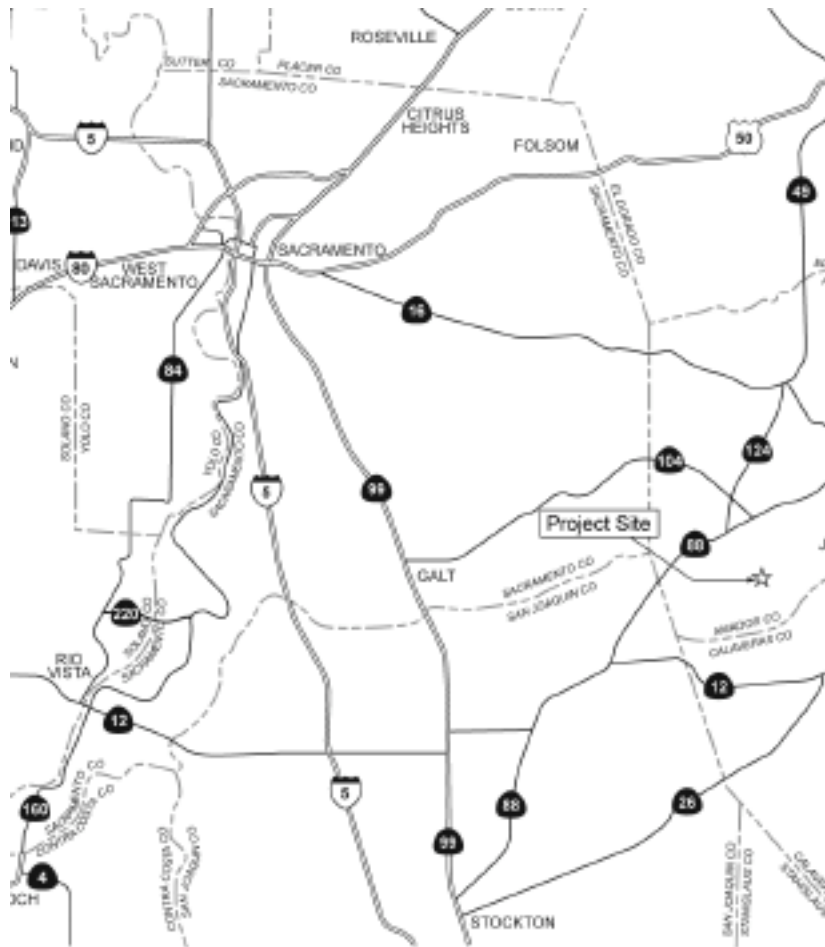
- Environmental Information Form
- Environmental Checklist & Initial Study
- CEQA Determination
 - Exempted
 - Negative Declaration
 - Mitigated Declaration
 - Focused EIR
 - Full EIR



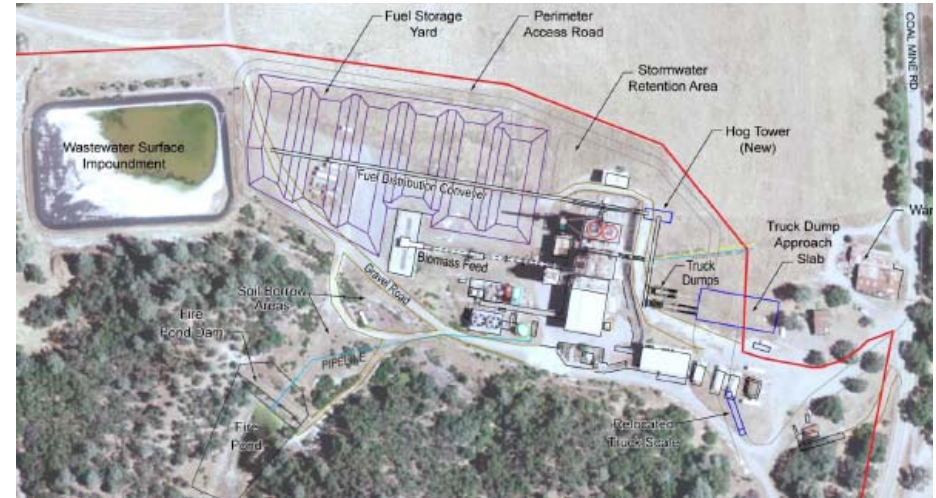
BUENA VISTA AS AN EXAMPLE

Buena Vista Biomass Power

22



Ione, CA



Buena Vista Biomass Power

23



- 18.5 MW of coal converted to biomass
- Partially fueled by forest-sourced woody biomass
- Innovative and progressive environmental controls
- Considerable utility, regulatory, and community acceptance
- Strong Power Purchase Agreement – Project economics good



The “Big” Challenges for BV

24

- NIMBY
- Conditional Use Permit change
- CEQA
- Carbon debt v. surplus – Is biomass carbon neutral?

NIMBY

25

- Very small group of local residents, but also very vocal
- Also upset with other nearby proposed developments
- Use of CEQA as a hammer
- Alignment with well-funded anti-biomass factions

Conditional Use Permit Change

26

- Conversion of coal to biomass required CUP change
- Originally considered by County to be a minor issue
- Changes and uncertainties regarding CEQA changed the picture
- CEQA process led to full Environmental Impact Report



CEQA as a Hammer

27

- Small opposition essentially controlled process
- CEQA process from initial minor CUP amendment application to certification of EIR took 14 months
- Even then – two lawsuits have been filed
- Use of CEQA process by anti-biomass factions



Carbon Debt v. Surplus

28

- A major challenge for Buena Vista
- Addressed in EIR
- Even then – two lawsuits have been filed within the last week with emphasis on greenhouse gas emissions issues
- BV is the “poster child” - others may (will) follow



Things That Can Be Done

29

- Lobby for a comprehensive definition of carbon neutrality of biomass
- Champion the societal and environmental benefits of biopower
- Plan for the CEQA process
- Work hard for community and regulatory acceptance



Frederick Tornatore
Chief Technical Officer
TSS Consultants
Rancho Cordova, California
916.601.0531



fatoxic@tssconsultants.com

www.tssconsultants.com