

WOOD TO ENERGY INITIATIVE USDA

A Status Update

By

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National Woody Biomass Program Manger

CONTEXT

- Wood Energy is one more part of an integrated wood products industry;
 - Dependent upon higher value products in most places
 - Not a Silver Bullet
 - Opportunity to reduce management costs,
 - Utilize forest residues=slash
 - Restoration
 - Wildfire hazard reduction
 - Solid Wood conserves energy – green building
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OVERVIEW

- Background of the Initiative
 - Two Letters from Three Undersecretaries
 - Current Activities
 - Action Items – 12
 - All completed
 - Future Activities
 - Wood Energy Summit
 - Community Wood to Energy
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BACKGROUND

- Letter Oct. 2010 – Forest Restoration Economy
 - Comprehensive Review
 - Project Development and Support
 - National Strike Team
 - Wood to Energy Program Compendium
 - Joint Outreach and Education
 - MOU – DOD, DOE, DOI, DOT
 - Letter from Sept 2011 – Action Items from Comprehensive Review
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REAP - WOOD TO ENERGY 2011

- RD Investment ~\$1 mill
- 90 projects

Advanced Biofuels Payment 2011

- 28 Pellet Manufacturers
- 14 states
- ~ \$1.4 million

Rural Utility Service 2011

- No. Virginia Electric Coop – 50 MW

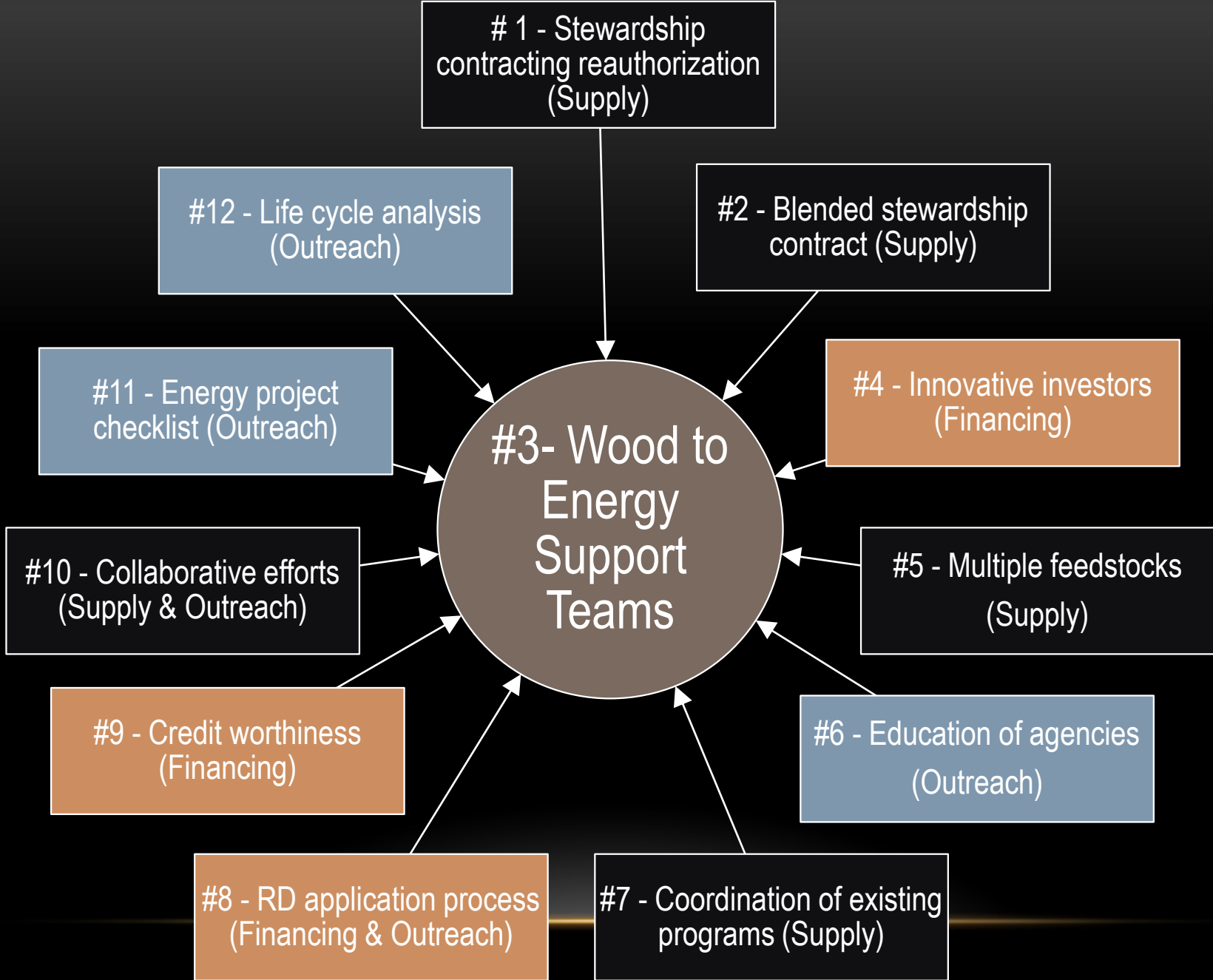
FOREST SERVICE

WOODY BIOMASS UTILIZATION GRANTS

- 2011 Refocused on Preconstruction Items
Engineering, permitting, etc.
 - Fill a gap in assistance for developing wood
energy projects – synergy between programs
 - Examples: Sawmill 2.5 MW CHP; School heating
system, Universities
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TWELVE ACTION ITEMS

- Support Teams
- Education/Outreach
- Stewardship Contracting – Two items
- Coordinating Landowner Assistance programs
- Multiple Feedstocks
- Innovative Investments
- Equipment Manufacturers/Distributors
- Credit Worthiness
- CHP checklist
- Collaboration – Social License
- Life Cycle Analysis



STATE SUPPORT TEAMS

- State Level Support Teams – Why?
 - Template Team/Network:
 - FS Regional Biomass Coordinator
 - Rural Development Energy Coordinator
 - State Forester
 - State Energy
 - State Commerce/Econ Development
 - Consulting Engineers - \$\$
 - NGO's – Social Acceptance – Workshops, marketing - \$\$
 - Forest Based Collaborative Groups
 - Economic Development
 - State DEQ

FUTURE

- Summit USDA host – July 16, 2013
- Expanded Work – DOD, DOE, HUD, Commerce, EPA, GSA
- Funding to make it work? CWE FY '13 - RFP
- Focus on developing clusters – production/distribution
- New Financing models – JV w/ Endowment
- Focus on Fuel Oil/Propane markets + CHP
 - 25 Billion gal = ~\$74 Billion
 - ~177 million BDT about ½ of the Billion Ton Study

NATIONAL FUEL OIL & LPG USE

	Fuel Oil	LPG	Total Gallons
Industrial	8.0 billion	2.7 billion	10.7 billion
Residential	4.3 billion	5.5 billion	9.9 billion
Commercial	3.0 billion	1.4 billion	4.4 billion
Total	15.3 billion	9.6 billion	24.9 billion
Price	\$3.56	\$2.05	
Total cost	\$54 billion	\$20 billion	\$74 billion

Top 20 States Fuel Oil and LPG in Billions of Gallons

