

Biomass Meeting

1-24-08—Forsyth, MT—10: 00 am

Jim Haide—Wired Grant

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- The Wired Grant can be used to cover all costs except for capital.
- One of the possible uses is pyrolysis, which is a technique where waste wood is burned in Oxygen and reduced to sludge. The material is broken down into component molecules and anything can be made out of it.
- Eventually there will be a mobile pyrolysis lab in the area. He is willing to do a workshop where he will demonstrate the lab and show what it can do.
- The lab produces heat and energy. It is technology that can be taken to the point of use, which is very exciting.
- Miles City Community College is using the Wired Grant to research biodiesel opportunities using chamolina and safflower oil.
- Supply and demand is an issue. No one wants to commit funds to the project unless they can be pretty sure that it will be sellable.

Doug Martens—Eastern MT Biomass Task Force

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The group has looked into several different options so far:

- Pellets: looked at using the whole tree pellet, which has to be burned commercially. They could use all species including Russian Olives and furs. The market is not there yet because the ash content is 5% versus the ½% that is necessary for home use.
- Bedding: Doug thought that the trees needed to be de-barked for this process, but a company in Hall, MT only de-limbs; then makes the bedding. They are selling it as fast as they can make it. The equipment needed is planers, baggers, dryers and sieves and this equipment could all be used for other processes. Bedding might be a good place to start.
- Blending with coal, which would also give the coal company carbon credits, which will be a big selling point in the future, we just need to convince a coal company to blend and market it.

The supply is there. There are over 163,000 acres within a 40 mile radius of Forsyth, well over 230,000 acres in Rosebud, just on state lands. Carbon credits can be tapped. Timber companies pay a \$6.75 hazard reduction bond, which can potentially be profit if the slash is used productively. Demand is an issue. No one wants to commit funds to the project unless they can be pretty certain that it will be successful.

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- Fuels for Schools: most of the grant money has been allocated, but what is left can be used for other purposes. It is a good source for grant matches because it is state money rather than federal. There isn't any money for schools or hospitals because they don't use enough fuel to be cost effective, but the money can be used for something like bedding.
- Feasibility study could be funded through the Department of Ag, the funds are there.
 - Study will tell:
 - ✓ How much money will be necessary for start-up?
 - ✓ Where it should be located and identify sources.
 - ✓ What to make/sell.
 - ✓ What it will take to make it profitable.
 - Then you need to write a report. Clearly state:
 - ✓ Who we are.
 - ✓ This is our opportunity.
 - ✓ This is how we think we can make money.
 - ✓ This is our unique niche (our market).
 - ✓ These are possible problems and how we will solve them.
- Dr. Bobby Lanford, Ed James and Ron Paige own Big Sky Shavings LLC. Located in Hall, MT, they buy what would typically be considered waste products and make it into animal bedding. They sell it as fast as they can make it. The market is wide open for bedding products.

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- The group will need to define what they are doing; cleaning out forest slash, forest thinning.
- Determine what they want to accomplish and how they are going to do it.
- ID the volume and location of the resources.
- Must have good solid information to give to the feasibility study people.
- Need a good business plan.
- Diversity is a good thing.
- The group needs to define their mission, set up attainable goals and break into subgroups to accomplish those goals.

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- We need to design a system that will be adaptable.
- The timber is there, we need to determine what the best use is for it.
- We need to clean up slash and thin the forests, which will eventually reduce the cost of firefighting efforts.
- It is a developing technology.
- We need to narrow our focus so that we can have attainable goals.

Group discussion:

Doug Martens: we need to talk to Western Energy to see if they'll market the product. Convince them that they will sell more coal that way because emissions tests show that blending reduces greenhouse gasses.

Donny Bailey: the raw material could almost be given away if the labor was paid.

Dave Davenport: We need to find out if there are there any EQIP (NRCS cost-share) funds for this.

Donny Bailey: what form should it take so as to be most readily and reasonably shipped?

Doug Martens: chips are cheapest to ship.

Dave Davenport: beet trucks and drivers could be utilized for shipping during the off-season which is most of the year.

Dave Davenport: we need to talk to the folks from Hall about the animal bedding business. I'll contact them.

Robert Killian: we should talk to Mike Carlson. Even though he retired, he still might be interested in working on this.

Doug Martens: there's a biomass conference in Minneapolis in April. There will be a lot of very good information presented there. It will be expensive to attend, but the next one will be in Billings.

Dave Davenport: maybe the Rosebud Conservation District Administrator can look into getting a grant or scholarship for Doug Martens and Chris Pileski (or someone in the group) to attend.

Action Items:

- Dave Davenport will contact Big Sky Shavings and get information from them.
- Robert Killian will contact Mike Carlson, formerly of Eastern Montana RC & D and see what new information he has found. He will gently approach him about continuing to work with the group.
- Determine sub-committees to work on our mission statement and goals.
- Laurie Kelley will look into how much it would cost to send someone to the Biomass conference and see if there are any scholarships or grants available to pay for it.

The group discussed the next meeting and decided to try to build some momentum and hold meetings on a regular schedule. The next meeting will be held on February 13 at 10 am in Colstrip at the Human Services building.