



Harvesting Clean Energy eNews Bulletin

Working with Northwest farmers, ranchers and rural communities to generate clean energy

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Federal Update

...Senate Passes Energy Bill...

Energy Committee Deliberations

Following House passage of the Energy Policy Act of 2005 ([HR 6](#)) (PDF 1.7MB) in April, the Senate Energy and Natural Resources Committee began crafting its own version ([S 10](#)) (PDF 1.3MB), reporting out the initial components on May 26. Sen. Ron Wyden (D-OR) cast the sole vote in opposition, noting that funding for renewable energy provisions are, "a tiny fraction of what's provided for coal and nuclear." Wyden also cited the lack of a Renewable Portfolio Standard (RPS), "to ensure that a portion of electric power comes from renewable energy sources."

Much like the House, the committee avoided consideration of an RPS, Production Tax Credit (PTC) extension, and many other controversial issues, leaving the more robust rebates for the Senate floor. [Provisions](#) that were adopted included funding for an ongoing renewable energy resource assessment, two grant programs for use of biomass from Federal and tribal lands for electricity and heat production, and a requirement the Energy Secretary continue cutting-edge R&D in renewable energy, including bioenergy from cellulosic feedstocks. Perhaps most notably, the committee strongly approved by a bipartisan voice vote an 8 billion gallon (by 2012) Renewable Fuel Standard (RFS). A strong RFS [supporter](#), Sen. Maria Cantwell (D-WA) offered a successful amendment to count each gallon of cellulosic ethanol as 2.5 gallons toward the proposed RFS, while setting aside up to 250 million gallons of the RFS to be met by cellulosic ethanol beginning in 2013.

Floor Action

Full Senate consideration began June 14, with the RFS component [passing](#) the next day by a vote of 70-26. The provision also called for the phase out of the fuel additive methyl tertiary butyl ether (MTBE) over the next four years, without instituting new liability protections sought by the House. Two days later, an RPS amendment offered by Sen. Jeff Bingaman (D-NM) requiring utilities to generate 10% of their electricity from such renewable sources as wind, solar and geothermal power or biomass fuels made from wood or trash by 2020 [passed](#) on a 52-48 vote. Utilities that cannot meet the standard would have to buy credits from utilities with excess renewable capacity. An amendment offered by Sen. Cantwell calling for a 40% reduction in consumption of foreign oil over the next 20 years failed by a vote of 47-53.

Also on June 16, the Senate Finance Committee [approved](#) by voice vote a \$10.65 billion package of energy tax [incentives](#) (PDF 426KB) focusing heavily on renewable fuels, energy efficiency and conservation, unlike the House energy bill, which focuses on incentives for oil and gas producers. The tax legislation was folded into the broader energy bill, along with an amendment championed by committee chair Sen. Charles Grassley (R-IA) and Sen. Max Baucus (D-MT) added additional incentives, including an energy R&D tax credit, a tax credit for small producers of biodiesel, and a tax credit for certain pollution control equipment at ethanol plants.

The tax plan also extended the soon-to-expire PTC for electricity generated through wind, biomass and other renewable resources through the end of 2008, except for solar facilities, and expands the credit to cover fuel cell systems. The PTC is a priority for both Senators, whose home-state farmers are economically dependent on turning alternative sources of energy into electricity. Baucus, ranking Democrat on the panel, noted that in Montana, “wind whips across the wheat plains. Future development of wind projects needs support, like that provided in the chairman’s mark.”

Final Vote

After rebuffing [proposals](#) for increased vehicle fuel efficiency standards and mandatory limits on greenhouse gas emissions, final adoption by the Senate occurred on June 28 on a vote of 85-12. Sen. Wyden was the only Northwest senator to oppose the measure, “because it is short on the truly bold action needed to break this country’s addiction to foreign oil.”

The Senate and House measures will now be brought together in conference committee in an effort to iron out differences. Leaders in the House and Senate have yet to set a date to begin deliberations, and Sen. Pete Domenici (R-NM), the bill’s manager in the Senate, has called for July hearings on climate change issues.

...Related Legislation...

[Renewable Fuels Act Introduced in House](#)

The day the Senate reported out its version of the Energy Bill, the Renewable Fuels Act of

2005 was introduced in the House. The measure mirrors Senate RFS language calling for eight billion gallons per year by 2012, up from the 5 billion gallon threshold passed by the House in April. The bill also calls on USDA to monitor the supply and demand for renewable fuels, report on the economic impact renewable fuels production has on rural America, and consult with DOE on renewable fuels blending. It also strengthens the agency's Bioenergy Program.

[New Senate Bill Addresses Bioenergy, Cellulosic Biofuels](#)

Three US Senators have teamed up to introduce the National Security and Bioenergy Investment Act of 2005 ([S 1210](#)) (PDF 100KB). Provisions include expanded research and development of biomass energy and biobased products, an incentive program to deliver the first one billion gallons of annual cellulosic biofuels, expansion of 2002 Farm Bill requirements for federal government procurement of renewable products, and a USDA program to assist small biobased businesses with marketing, certification and performance testing.

[House Ways & Means Subcommittee Holds Renewable Tax Credit Hearing](#)

On May 24, the House Subcommittee on Select Revenue Measures held a hearing titled "Tax Credits for Electricity Production from Renewable Sources," which explored the history of the renewable production tax credit, its effects on the retail electricity market, and the economic efficiency of current tax policy for renewable energy production and its efficacy in promoting economically viable new energy technology. House members at the hearing were generally very supportive of renewable energy, with many on both sides indicating that Congress should do more for the PTC and renewables.

...Farm Bill...

[USDA Seeks Comment on Farm Bill Revisions](#)

USDA Chief Mike Johanns has announced the first of many Farm Bill Forums designed to solicit input from farmers, ranchers and rural residents regarding development of the 2007 Farm Bill. The first Forum will be held in Nashville on July 7 from 6-10 pm CDT. Dates, locations and times of additional forums will be announced on the USDA [website](#). The public is invited to attend and present oral comments. Six topics have been identified to provide a framework for discussions.

[Full Section 9006 Funding Restored in Senate Subcommittee](#)

Funding for the Farm Bill's Renewable Energy and Energy Efficiency Grant Program (Sec. 9006) has been restored by the Senate Appropriations Subcommittee on Agriculture and Rural Development. The Administration had slashed the program's authorized level of \$23 million down to \$10 million. The Committee maintained the Administration's cuts to the Biomass Research and Development Act (Sec. 9008) at \$12 million (a cut of \$2 million from authorized levels) as well as a further cut to the Value-Added Producer Grant Program (Sec. 6401) from \$15.5 million last year to \$15 million for FY06. In previous action, the House approved similar funding levels for Sec. 9006 and Sec. 9008, but in a surprise move funded the long beleaguered Sec. 6401 program above its \$40 million authorized level to

\$55.5 million.

Oregon Legislation

[Oregon Omnibus Biofuels Bill Moves Out of House](#)

On June 22, the Oregon House passed out [HB 3481](#), an omnibus biofuels bill crafted from seven separate measures by the House Environment Committee earlier in the month. The bill provides a number of economic incentives, including a property tax exemption for production facilities, tax credits to producers of biofuel raw materials, tax credits for production equipment R&D, expedited facility siting, and a ban on MTBE. Critics [note](#) the combined legislation drops the Renewable Fuel Standard requirement, removes Clean School Bus Grant funding, deletes state government biodiesel use mandates, and greatly increases costs by expanding a Pollution Control Tax Credit that pays companies to comply with the law. Original sponsors of the biofuels legislative package [hope](#) that many of the original provisions will be restored by the Senate.

[Status of Other Bills](#)

Three House energy measures reported previously are likely dead in committee, while three Senate measures live on:

- [SB 84](#) – Directs the PUC to extend net metering requirements for generators producing more than 25 kW if they're customers of a public utility, and allows biomass as a generation source (passed and signed by Governor).
- [SB 733](#) – Provides individual tax credits for solar energy devices installed on homes or businesses (passed out of Senate Environment & Land Use, hearing held by Senate Revenue on Jun 14).
- [SB 834](#) – Establishes the Community Renewable Energy Project Fund, authorizes issuance of up to \$1 million in lottery bonds, and establishes a program to fund feasibility studies for small-scale local and community renewable energy projects (passed Senate Environment & Land Use committee, before Budget Subcommittee on Natural Resources).

Biofuels

...Biodiesel...

[SeQuential Announces First Oregon Biodiesel Plant, New Outlets](#)

Oregon-based SeQuential Biofuels, Pacific Biodiesel of Hawaii, and several private investors plan to break ground on the first biodiesel manufacturing plant in Oregon. Located in North Portland, the facility will begin processing in November using cooking oil supplied

by local companies such as potato chip manufacturer Kettle Foods, and soy oil from outside the region. The refinery hopes produce up to 15 mgy within five years. SeQuential has also been busy expanding its distribution network. New customers include a fuel station in [Bend](#), which recently became the first retail outlet in Central Oregon, and two [wineries](#) in the Willamette Valley.

[**Pendleton Co-op to Produce Biodiesel**](#)

Pendleton Grain Growers plans to start crushing canola this fall and converting the oil into biodiesel for furnace oil. The co-op plans to produce about 20,000 gallons of biodiesel this year, growing to 1.2 mgy from 15,000 acres of canola grown primarily in Umatilla County. “We think this is an opportunity for producers to try and produce some green fuel here in the Pacific Northwest,” said Al Gosiak, president of the Grain Growers. “We think we can create a sustainable industry that is locally based and locally benefited.”

[**Columbia County Moves Closer to Biodiesel Plant**](#)

Columbia County Commissioner Dwight Robanske hopes a proposed oilseed crushing and biodiesel processing facility will create new markets and greater profitability for farmers along the Washington-Oregon line. The next step is to secure the \$32 million needed to build the facility. “I am very optimistic that we can have this plant up and running by 2006,” Robanske said. “This is an excellent and needed opportunity for farmers and for our rural communities.”

[**Oregon Dept of Ag Adds Local Control to Proposed Canola Rules**](#)

A last-minute change to draft canola control district rules in Oregon would place much of the responsibility for canola production oversight in the hands of local advisory committees, and could remove objections from farmers opposed to production restrictions. Hearings have been scheduled for Salem (July 19), Bend (July 20) and La Grande (July 21). Public comment will be accepted until mid-August.

[**Montana State Researchers Tout Camelina for Biodiesel**](#)

MSU’s Institute for Biobased Products believes the cost of biodiesel can be reduced by a third thanks to camelina, a European brassica well-suited to the state’s cool and dry climate. High omega-3 levels also make camelina oil attractive as a food crop, and the crush for livestock and fish feed. A number of oilseed growers are trying out the plant this year, including Great Northern Growers Cooperative, whose members have planted about 700 acres.

[**Montana Gov. Schweitzer Says Future Lies in Niche Crops**](#)

In remarks to a joint conference of the Western Society of Crop Science and Western Wheat Workers at Montana State University, Gov. Brian Schweitzer said the future of Western agriculture isn’t in commodity crops, but in specialty crops like camelina, an oilseed crop that could be used to make inexpensive biodiesel and is loaded with healthy omega-3 fatty acids.

[**Biodiesel Use Expands in Rural Montana**](#)

Nancy Griffin, a fleet manager in rural Montana, had heard all the reasons why biodiesel wouldn't work in her delivery trucks, but she decided to try it anyway. After studying the "Truck in the Park" program at Yellowstone National Park, she's quite happy with the results. Griffin said distribution is still a challenge, but "if you can get biodiesel transported to Ennis, you can get biodiesel anywhere."

[A New Way of Turning Plants into Biodiesel](#)

In the June 2 edition of *Science*, researchers at the University of Wisconsin detailed a new biodiesel production process which makes extensive use of plant matter. Traditional refining uses only fatty acids, which typically make up less than 10% of the mass of dried plants. The new method promises to turn all of the dried plant material, including roots, stems, leaves, and fruit, into biodiesel or heat energy using a four-phase catalytic process to react carbohydrates with hydrogen to form sulfur-free liquid alkanes. Researchers claim the fuel embodies more than twice the energy used to produce it.

[New Technology Enables Biodiesel Production from Ethanol Plants](#)

A new corn oil extraction technology enables ethanol producers to extract crude oil from the dry mill process. SunSource BioEnergy hopes to extend the benefits industry-wide by offering producers extraction units and oil purchase agreements. The company plans to build a 50 mgy biodiesel production facility that will purify corn oil and convert it to biodiesel.

...Ethanol...

[Oregon Dairy Closer to Building Ethanol Plant](#)

Threemile Canyon Farms has received a conditional-use permit from the Morrow County Planning Commission to build a corn-fed ethanol facility that will also provide high-protein feed for its cow herd. The dairy – which milks about 18,000 cows every day – already has a methane digester and cogeneration facility to supply power for the ethanol plant. They hope to grow roughly 6,000 acres of corn and produce about 15 mgy of ethanol.

[Montana Tribe Pursues Ethanol Project](#)

Citing a need for economic growth, Chippewa-Cree tribal officials are moving forward with plans for an \$87 million, 40 mgy ethanol plant near the Rocky Boy's Indian Reservation. The tribe commissioned a feasibility study earlier this year, and is now developing a business plan and looking for investors. The study predicted a 43% annual return on investment over 11 years.

[Wyoming Ethanol to Acquire Simplot Plant](#)

As part of their expansion efforts this year, Wyoming Ethanol has announced plans to acquire a former Simplot ethanol plant in Heyburn, Idaho. The plant, which originally used potato waste as its feedstock, closed in 2003.

[Researchers Fashion Straw for Ethanol](#)

A team of WSU scientists is seeking federal funding for an expanded economic feasibility

study on development of low-lignin wheat and barley straw for ethanol production. In addition to the reduced lignin content, the grain is low in phytic acid, which reduces phosphorous in waste when fed to livestock.

[Ethanol Producer Magazine Explores Biorefineries, National RFS Proposals](#)

Emerging new technologies are showing producers there is more to the industry than ethanol, distillers grain and carbon dioxide. These innovations may help dry mill ethanol plants become the nation's first generation of true biorefineries. This edition of *Ethanol Magazine* also explores the economics and political viability of various RFS proposals floating through Congress.

[Biomass-to-Ethanol Technology Could Offset Gas Consumption](#)

A University of Florida researcher has genetically engineered E. coli bacteria to produce ethanol from sugarcane residues, rice hulls, forestry and wood wastes and other organic materials with 90-95% efficiency. A 30 mgy biomass-to-ethanol plant based upon the genetically engineered bacteria is planned for Louisiana using waste from the sugarcane industry.

[Farm Bureau: "Now more than ever, ethanol just makes sense"](#)

Bob Stallman, President of the American Farm Bureau Federation, follows up on a recent report by the Consumer Federation of America that found oil companies could reduce retail gas prices by at least 8¢/gallon if they blended more ethanol. "It's time for Congress to give consumers a break at the pump and pass comprehensive energy legislation that contains a robust renewable fuels standard," says Stallman. "As a farmer and consumer, it just makes good economic sense."

[Biofuels Production & the New West Conference Draws Crowd](#)

Logen's proposed cellulosic ethanol plant in Eastern Idaho was a hot topic in Boise on June 2 as national and regional elected officials, agency staff, energy firms and rural landowners met to discuss the need for increased biofuels production. Speakers noted biofuels are produced primarily in countries with a surplus of agricultural commodities, high greenhouse gas emissions and high dependency on oil imports. Biofuels reduce surpluses and increase commodity prices, creating jobs in rural areas and increasing farm income while reducing government payments, improving trade deficits, and lowering dependency on foreign oil.

Biopower

...Digestion...

[Washington Governor Lauds Anaerobic Digestion](#)

Gov. Christine Gregoire recently toured the Vander Haak dairy just south of the Canadian border to see the state's first digester at work. "It's the future," she said. "This can turn

yesterday's waste into a cash crop. It works, and it's energy-efficient. It offers huge promise." Gregoire recently included \$560,000 in her biennial budget to construct a digester in the flood-prone Skokomish Valley near Hood Canal. The digester will process animal and fish waste, as well as yard clippings, into high-quality compost and also produce electricity.

Tillamook Digester Produces Power, Fiber

On average, some 3,000 gallons of raw manure is pumped into the holding cells at the Port of Tillamook Bay's Hooley Digester every eight minutes. Liquid nutrient byproducts are then trucked back to the farm and applied to fields. The operation also produces 1,000-3,000 yards of digested fiber per month for wholesale nursery and landscape operations in the Willamette Valley. Logistical and economic challenges for such a massive operation can be daunting, as this extensive article explains.

Intrepid Undertakes Major Methane Production Expansion

Intrepid Technology and Whitesides Dairy in Rupert, Idaho have announced a significant expansion of both the dairy herd and Intrepid's anaerobic digester and methane gas plant. A new permit will allow the dairy to increase its herd size by 2500 milking cows, requiring expansion of the methane plant to over 100,000 cubic feet of gas per day.

Investors Fuel Push for Poop Power

Prometheus Energy of Tukwila, WA recently scored \$8 million in financing to turn cow manure and trash into usable energy. The firm is developing a new technology that transforms methane into liquid natural gas, and hopes to deploy their system at several Yakima County farms later this year. Grants from USDA and DOE have helped support their R&D efforts.

Digester Reaping Benefits for Salem Dairy

Waste management, phosphorus removal, and clean bedding are reasons enough for one Salem dairyman to appreciate his digester. Built by Portland General Electric as an experimental project on the 350-cow dairy, the utility hoped their technology would better the industry standard of 1 kW from every eight cows. It hasn't, but dairyman Bernie Faber has no regrets. "People ask me would you do this over again, and I say, yes."

New Anaerobic Digester Technology Promoted

Microgy, the principal operating subsidiary of Environmental Power Corporation, recently announced the first US installation of a Danish technology they claim will produce substantially more electricity from anaerobic digestion. The system, located in Wisconsin, is projected to generate approximately 6.5 million kWh annually from the waste of only 800 milk cows.

...Combustion...

Rare Alliance Promote Use of Forest Biomass

Timber companies, federal lands managers and environmentalists are working together to resolve barriers to biomass utilization on central Oregon timberlands. Under a planning

effort called CROP (Coordinated Resource Offering Protocol), the groups are trying to solve feedstock supply problems and locate startup funding for new economic initiatives. "If it can work there, then it can work in many other areas," said Edmund Gee, biomass coordinator for the US Forest Service. "It has national implications." Similar initiatives are under way around Lakeview and Klamath Falls in Southern Oregon.

[USFS Provides Woody Biomass Grant in Oregon](#)

Wallowa Resources near Bend has been awarded a \$250,000 US Forest Service Woody Biomass Utilization Grant to expand their post and pole plant, including production and storage of wood chips and hog fuel. The firm expects the grant will help pave the way for biomass heating systems in local school districts.

[Community-Based Forestry Perspectives on Woody Biomass](#) (PDF 50KB)

This timely publication explores the benefits of, and impediments to woody biomass utilization, and the relationship to forest restoration efforts. It also summarizes recent policies facilitating woody biomass use. The paper was prepared by the Rural Voices for Conservation Coalition, a collaborative effort by local, regional, and national organizations to promote balanced conservation-based approaches to the ecological and economic problems facing the West.

[Senate Earmarks \\$2 Million for "Fuels for Schools"](#)

The Senate Appropriations Committee passed its 2006 spending bill for the US Forest Service earlier this month, and earmarked \$2 million for the Fuels for Schools program in Montana. The bill now goes before the full Senate. Begun in the fall of 2003 in the community of Darby, the program is expanding rapidly throughout the state and region.

[High Costs, Low Supply Limits Use of Woody Biomass](#) (PDF 2.3MB)

According to a new GAO report, the high costs of harvesting and transportation, and the relatively low commercial value of the products produced, continue to limit use of woody biomass from federal lands as raw materials for manufacturing or energy generation. The study also cites the lack of steady, dependable supplies from localized sources needed to guarantee long-term contracts and lower costs for consumers.

...**General**...

[Bio-Energy 101 & Fuels for Schools Conference, July 13-14, Bend](#)

This two-day gathering begins with an introduction to bio-based energy for the general public, decision-makers, and economic development specialists. The second day provides a detailed forum on the technical and financial aspects of using woody biomass to heat rural schools and other public and commercial facilities. The conference is hosted by the Business Alliance for Sustainable Energy, a public-private partnership designed to accelerate development of an emerging renewable and efficient energy cluster in the Central Oregon Corridor.

[Renewable Energy from Organics Recycling Conference, Sept 12-14, Madison WI](#)

Madison will host *BioCycle*'s fifth annual "Renewable Energy from Organics Recycling" conference, September 12-14. The extensive agenda focuses on the latest developments in advanced systems, operations at innovative projects, economic and energy performance, and public policies that are helping to fund development.

[Pursuing Realistic Opportunities in Home-Grown Energy](#)

This extensive article in the latest *BioCycle* explores how cellulosic energy crops will soon become a cornerstone of our renewable energy future, and argues that energy farms and bioenergy conversion facilities will only be established if each project's economics are attractive and its risks are considered acceptable. Investors must have sufficient confidence in each of the principal components of the enterprise – feedstocks, processing and product markets for project financing to occur.

[Climate-Friendly Farming Project Underway](#)

USDA's chief scientific research agency, the Agricultural Research Service, recently profiled their collaborative effort with WSU to reduce greenhouse gases from agriculture. The Climate Friendly Farming project involves 30 researchers, Extension agents and others investigating irrigated and dryland farming systems, dairy research, carbon sequestration, socio-economic analyses and farmer outreach.

[Don't Get Burned on Biomass Mandates](#)

Designing policies that effectively promote wind or solar energy is relatively straightforward, even if getting them implemented is not. The same cannot be said for biomass, which potentially has multiple end uses and environmental impacts. This article examines why biomass-to-energy projects are still important, and how supporting policies must be crafted and implemented in a considered manner.

[DOE and USDA to Cooperate on Hydrogen from Biomass](#)

The two federal agencies have signed a new Memorandum of Understanding aimed at developing more cost-effective ways to produce hydrogen from biomass resources. Under the MOU, experts will meet regularly to share information on technologies and activities related to reducing the cost of chemically converting biomass to hydrogen.

Wind

[Interior Releases Environmental Impact Statement on Wind Power](#)

On June 21, the Department of Interior released its final Programmatic Environmental Impact Statement on Wind Energy Development, smoothing the way for new wind energy production on public land in 11 Western states. According to the [EIS](#), DOI lands in the Northwest appropriate for wind energy development could host over 1 GW of power production (Oregon 543 MW, Washington 249 MW, Montana 131 MW, Idaho 127 MW).

Zilkha Moves Forward with Northwest Wind Projects

Washington's Energy Facility Site Evaluation Council has [recommended](#) that Gov. Gregoire approve Zilkha Renewable Energy's Wild Horse Wind Power Project northeast of Ellensburg. If approved, the wind farm will feature 104-158 turbines generating 158-312 MW intertied with BPA and/or Puget Sound Energy transmission systems. Construction will contribute over \$4.7 million to the local economy, and once operational the project will be the largest single taxpayer in the county.

Zilkha has also filed [plans](#) for the [Elkhorn Wind Power Project](#) east of North Powder in Union County, Oregon. The \$100 million wind farm will feature up to 70 turbines providing power via Idaho Power's transmission lines. The project has received local [support](#), and should be completed and operational in 2006 or 2007. "The economic benefit of this renewable energy project is a real plus," noted Rep. Greg Smith (R-Heppner).

Klickitat County Energy Overlay Zone Yields More Projects

Within weeks of adopting the nation's first energy overlay zone designed to expedite wind farm permitting, Klickitat County received proposals from Cannon Power and Wind River Power for 300 MW in new projects. Combined with four other proposed projects, wind farms in the county could eventually generate enough electricity to power 80% of households in Seattle. "As far as our county's economic development strategy, anything we can do to keep ranchland ranchland is a good thing," said Dana Peck, director of economic development for the county. "This is our best single play to do that."

Exergy, Idaho Power Collaboration Stimulating Idaho Wind Projects

Twin Falls County officials have [approved](#) conditional-use permits for four seven-turbine, 10.5 MW wind projects proposed by Exergy Development Group in the Bell Rapids area: Oregon Trail Wind Park, Pilgrim Stage Wind Park, Tuana Gulch Wind Park and Thousand Springs Wind Park. Earlier this year, the local irrigation company sold its water rights to the state, leaving much of the farmland in the region without water. "We have close to 25,000 acres with landowners who would appreciate an alternative crop on their land – that being wind turbines," said Exergy President James Carkulis.

The Idaho Public Utility Commission has already approved a power purchase agreement with Idaho Power, which recently [announced](#) their intention to buy power from two other seven-turbine wind parks in the Burley area being developed by Exergy. Burley Butte Wind Park and Golden Valley Wind Park would comprise the second significant wind additions to Idaho Power's portfolio this year after the PUC approved a purchase agreement with the Fossil Gulch wind farm near Hagerman in April. Exergy is also interested in establishing 10.5 MW wind farms west of Notch Butte in Lincoln County, and east of Atomic City in Bingham County.

Idaho Power Seeks Temporary Suspension of PURPA Wind Contracts

Idaho Power has asked the Idaho Public Utilities Commission to suspend its obligation to buy power from wind power generators smaller than 10 MW until the commission can analyze the financial and operational impacts of their continued growth. The utility says it has so many small wind contracts it's at risk of having to cancel larger wind contracts in

order to meet system-wide requirements due to wind being an intermittent resource. The proposed moratorium is limited to wind facilities and would not impact existing contracts. Public hearings are anticipated in July.

[BLM Issues Cotterel Environmental Impact Statement](#)

A highly anticipated draft environmental impact [statement](#) for the Cotterel Wind Power Project has been released. “This could be the first large-scale wind energy development on public lands in Idaho,” said Wendy Reynolds, manager of BLM’s Burley field office. The proposed 200 MW wind project would span a 16-mile ridgeline between Albion and Malta, primarily on BLM land with small pockets located on state and privately owned land.

[Wind Farm Construction Generates Economic Boom at Judith Gap](#)

Thirty people are already at work constructing the Judith Gap Energy Center, and local businesses eagerly await the arrival of 180 to 200 more workers next month to begin erecting some 90 turbines. Nearly all the work force is coming from Montana.

[Montana Ag Innovation Center Awards Innovation Grants](#)

The Montana Agricultural Innovation Center has awarded 11 grants to help commercialize ideas coming from agricultural producers. Recipients include the Kenfield family near Chester, which is exploring the feasibility of adding value to their ranching and farming operation through construction of a utility-scale wind farm on their property.

[Oregon Wind Working Group Meeting Presentations Available](#)

On April 8, Oregon Dept of Energy staff and Klamath and Lake county economic development leaders co-hosted a gathering in Klamath Falls to share knowledge gained by working on community wind power projects in the north-central portion of the state, and resources available for other locally owned clean energy projects. Presentations covered different ownership models for wind farms, sources of financial assistance, biomass carbon credit systems, and geothermal energy projects in the region.

[FERC Finalizes Interconnection Rule for Wind Facilities Over 20 MW](#)

The Federal Energy Regulatory Commission has finalized a rule addressing interconnection requirements for wind power facilities larger than 20 MW. The rule addresses concerns of wind-turbine manufacturers and wind-power developers who sought standardized interconnection requirements. Having to meet widely varying standards across the country contributes to increased manufacturing costs for wind generators and serves as a barrier to development of wind energy.

[Wind Power Facility Siting Case Studies](#) (PDF 1.2MB)

The National Wind Coordinating Committee is releasing “Wind Power Facility Siting Case Studies: Community Response,” which documents lessons from nine sites the NWCC’s Siting Workshop examined to determine community reactions to local wind development projects. The Workgroup was also interested in changes in community perceptions before, during and after construction, as well as what wind projects developers can do to address the concerns that often recur at wind project sites. Case studies include the Combine Hills

project in Umatilla County, Oregon, and the Nine Canyon wind farm in Benton County, Washington.

[Wind Powering America State Summit Proceedings Available](#)

The DOE Wind Powering America program held its annual State Summit meeting in Colorado on May 19. The event was a huge success with more than 150 people attending. Presentations included “How to Implement a Successful Agricultural Outreach Campaign,” “Permitting on Public Lands,” and “Public Policy Options & Outreach Strategies.”

[NREL Issues Fresh Batch of Educational Resources](#)

The National Renewable Energy Lab has released several new or revised resources exploring the potential for wind power. They include:

- **[“Improving Regional Air Quality with Wind Energy”](#)** (PDF 401KB) fact sheet on how electricity generated from zero-emission wind energy can help states and municipalities improve air quality, achieve attainment of Clean Air Act standards, and reduce pollution control costs for taxpayers.
- **[“Wind Energy Benefits”](#)** (PDF 435KB) fact sheet describing the top-10 benefits of wind energy, including the growth of new jobs and tax revenues.
- **[“Can a Family Farm Benefit from Section 9006?”](#)** (PDF 347KB) case study describing how a family in Iowa pursued Section 9006 funding to obtain a wind turbine for the family farm. This fact sheet also provides information about how to apply for financial assistance.

[“Wind Workshop in a Box” Gets Facelift](#)

The Interstate Renewable Energy Council has updated its popular “Wind Workshop in a Box” kit for state, municipal and governmental agencies, community groups, utilities and other consumers looking for information about renewable energy technologies. A new interactive CD-ROM features eight chapters covering an introduction, workshop tips and sample agendas, general information, resource assessment, policies, utility-scale wind energy, small-scale wind energy and resources. The kit also contains a variety of publications and videos. Western Area Power Administration utility customers can request a kit [online](#).

[RRI Issues Wind-Financing Resource](#)

Research Reports International has published “Developing and Financing Wind Power Projects,” a 165-page overview of opportunities and challenges in developing and financing wind power. The report provides a review of the trends driving worldwide growth in wind power, as well as the barriers wind power still faces.

Solar

Washington: The New Sunshine State?

Under Washington's landmark new "feed-in" production incentive for small-scale, renewable energy systems (HB 5101), homes and businesses can earn up to \$2,000 a year in credits at the rate of 15¢/kWh. The credit is geared to the output of a typical 3.5 kW PV system. While PV isn't the only clean energy technology covered by the system, it's getting the most attention thanks to solar-friendly multipliers for installing in-state hardware.

Central Washington Utility Farm Sows Sun

Ellensburg Department of Energy Services ratepayers will be able to purchase a solar panel and have it "planted" on a utility owned and operated solar farm. Customers own output from their panel, and their monthly power bills are reduced by a corresponding amount. Gary Nystedt, resource manager for DES, describes the project as, "a community-based system in which the utility allows our customers to invest into the project, as opposed to the other green programs where customers pay more on their utility bills."

Growth in Solar Power Drives Changes in Silicon Supplies

Rapid expansion in the solar industry appears to be causing structural changes among the suppliers of silicon, the primary material for manufacturing most of the world's photovoltaic solar cells. Currently, the world's only dedicated producer of polycrystalline silicon is located in Moses Lake, WA. [Solar Grade Silicon](#) produced roughly 2,100 metric tons of solar silicon from silane gas in 2004, capturing 30% of the market. The company claims current supply of solar silicone is less than demand, and may remain so through 2007.

Solar Energy Payback Will Be One Year Within a Decade

According to DOE's National Renewable Energy Lab, the payback for multicrystalline PV modules is four years for systems using current technology, but only two years for technology just coming on to the market. For thin-film solar modules, the payback is three years using current technology and one year for anticipated technology. According to the NREL report, "Based on models and real data, the idea that PV cannot pay back its energy investment is simply a myth."

Correction: No IREC Gathering in Portland

In the last edition of the eNews Bulletin, we erred in announcing a joint meeting of the Interstate RE Council and Million Solar Roofs program on July 10. Turns out the meeting already took place, last year...

Geothermal

US Geothermal Project Moving Along Swiftly

US Geothermal has secured a transmission [agreement](#) with BPA for up to 12 MW of capacity, and a construction [manager](#) for the first 10 MW of an eventual 90 MW geothermal plant now underway at Raft River in Idaho. The company has three power purchase

agreements with Idaho Power for initial production of 30 MW of electricity. They've also reserved an additional 24 MWs of transmission capacity with BPA. Phase One construction is planned in 2005, with power production planned for 2006.

Economic Impact Analysis Planned for Idaho's Willow Springs

The Idaho Department of Water Resources plans to contract with University of Idaho's Department of Agricultural Economics and Rural Sociology to conduct an economic impact analysis on prospects for [Willow Springs](#) geothermal power generation in southeastern Idaho. Idatherm LLC is planning to explore along the Bingham and Bonneville county lines where a petroleum test well drilled in 1978 encountered over 400°F water at a depth of over 13,000 feet. The analysis will include exploration, plant construction and operation costs.

Policy

[Oregon PUC Rules on Community-Sized Renewable Power Sales](#) (PDF 877KB)

The Oregon Public Utility Commission has established state requirements for purchase of renewable power generated by qualified community-sized projects. The ruling establishes standard power contracts for projects up to 10 MW and provides for contract lengths up to 20 years. Supporters said the ruling will help establish the power market necessary to allow for growth in new business development in rural Oregon through clean energy projects.

[FERC Rules PURPA Supports Net Metering](#)

On June 6, the Federal Energy Regulatory Commission issued an enforcement order requiring an Iowa electric cooperative to provide simple net metering to an Iowa farmer with a small wind-energy system. The decision is the latest in seven years of litigation between the farmer and his utility. "Requiring Midland to offer net metering... will ensure that a principal purpose of PURPA will be met, i.e., encouraging alternative sources of energy and reducing the nation's dependence on fossil fuels," FERC ruled.

[Berkeley Lab Reviews Obligation Support Mechanisms](#) (PDF 975KB)

Lawrence Berkeley Lab has produced a report on how renewable energy portfolios are performing around the world. "Review of International Experience with Renewable Energy Obligation Support Mechanisms" describes and evaluates currently established RPS policies, and points to the essential design features of an effectively designed policy.

Resources

[NW SEED Receives Rural Community Development Initiative Grant](#)

USDA's [RCDI program](#) recently awarded \$50,000 to NW Sustainable Energy for Economic Development to provide workshops and on-going technical assistance to small, rural

communities looking to develop renewable energy projects. [SEED's](#) Renewable Energy Development Assistance Program will target communities challenged by low incomes and high unemployment. For more information, contact [Don Andre](#), 206-267-2216.

[DOE Awards Study Funds to Warm Springs and Skagit Tribes](#)

DOE recently announced nearly \$2.5 million in grant awards to 18 Native American tribes to advance the use of renewable energy and energy efficient technologies on tribal lands. The tribes will investigate energy audits, energy efficiency improvements, and a wide range of renewable energy technologies, including biomass, geothermal, solar, and wind energy. In the Northwest, the Confederated Tribes of Warm Springs in Oregon will receive funding for a geothermal power feasibility study, and the Upper Skagit Tribe in Washington will receive support for a strategic energy plan.

[Energy Cost Relief for Rural Communities](#)

The USDA Rural Utility Service is soliciting applications for the High Energy Cost Grant Program, which supports projects that provide, improve, or reduce the costs of energy generation, transmission and distribution for rural communities with home energy costs over 275% of the national average. On-grid and off-grid renewable energy, and energy efficiency and conservation projects are eligible. Responses are due July 25.

[Climate Trust Soliciting Carbon Offset Projects](#)

The Climate Trust has \$4.3 million for projects that reduce carbon dioxide emissions. Funds were provided by Portland General Electric as part of offset requirements from a new generating facility. Phase I proposals are due August 24.

[Funding Opportunities for On-Site Renewable Generation](#) (PDF 727KB)

Earlier this year, EPA released a “Directory of Energy Efficiency, Renewable Energy, Protection Assistance Programs” which provides a comprehensive overview of opportunities for environmentally related activities, including renewable energy opportunities from the federal government, state agencies, and private foundations.

[Home, Farm & Community Wind Energy Systems: Reaching the Next Level](#)

Materials are now available online from the Environmental and Energy Study Institute’s June 22 briefing, “Home, Farm & Community Wind Energy Systems: Reaching the Next Level.” Presenters included representatives from Bergy Windpower, Illinois Rural Electric Cooperative, Southwest Windpower, and Lorax Energy Systems.

[RETScreen Releases CHP Project Analysis Model](#)

This new model can help evaluate the energy production, life-cycle costs and greenhouse gas emissions reduction for combined heat and power projects. It permits analysis of a wide range of renewable and non-renewable fuels, including landfill gas, biomass, biodiesel, hydrogen, natural gas, coal and municipal waste, to produce multiple types of power under various operating conditions.

[Yale Survey Shows Overwhelming Support for Clean Energy](#)

A new research study from Yale University found that 88% of people surveyed support expanded wind energy development. This yearly survey of 1000 adults also found that more than nine out of ten Americans are worried about dependence on foreign oil, and even greater numbers want government to develop new clean energy technologies.

Events

[Interconnection Workshop for Distributed Generation, July 21, Tangent OR](#)

Representatives of Pacific Power and Portland General Electric will review policies and procedures for interconnecting renewable generation projects of 10 MW and less to their systems. The afternoon workshop, sponsored by the Energy Trust of Oregon, is free. Participants must pre-register by July 15. Please respond to [Noemi Hicks](#), 503-445-7627.

[SolWest Renewable Energy Fair, July 29-31, John Day, OR](#)

This three-day event at the Grant County Fairgrounds offers engaging activities for all ages and knowledge levels, including the SolWest Electrathon rally. Participants from around the region come and learn about energy efficiency, solar and wind energy, alternatively fueled vehicles, and more.

[NWETC's Northwest Energy Symposium, Aug 23, Portland](#)

This energy technology gathering consists of three complementary events – the [Northwest Energy Technology Showcase](#), [EnVenture Northwest](#) and a [Regional Academic Forum](#) (PDF 88KB). Entrepreneurs, academia, utilities, research organizations, the investor community and government involved with the region's emerging energy sector are invited to participate.

[ABA Offers National Teleconference on Renewable Energy Resources](#)

The American Bar Association's Renewable Energy Resources Committee invites lawyers and non-lawyers alike to join upcoming seminars with renewable energy lawyers, policy makers and business experts. You can participate in person at host sites in major cities, or teleconference from your office. Seminars run from noon to 2 pm, and the teleconference from 12:15-1:30 pm, Eastern Time.

- **[July 20: The Utility Point of View On Renewable Energy](#)**

Utility representatives will describe participation in renewable energy programs, and practical steps to encompassing renewables and distributed generated power.

- **[Sept 21: Biofuels: Their Future is Now](#)**

An expert panel will discuss how current environment, tax and energy law (combined with rising oil prices and emerging trading markets) are changing the energy transportation landscape.

- **[Oct 19: Overview of RPS Program Implementation Experiences](#)**

This program will explore what is happening with RPS initiatives and look at some key issues, such as renewable energy credits.

The *Harvest Clean Energy eNews Bulletin* is edited by Peter Moulton, and brought to you by [Climate Solutions](#), a non-profit organization promoting climate change solutions that create jobs, boost rural economies, and strengthen communities in the Pacific Northwest.

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