

# WOOD TO ENERGY INITIATIVE USDA

## A Status Update

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By

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# OVERVIEW

- Background of the Initiative
    - Why – Forest Restoration Economy
    - Direction from Three Undersecretaries
    - RD and FS accomplishments
  - Current Activities
  - Future Activities?
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# BACKGROUND

- Letter Oct. 2010 – Forest Restoration Economy
    - **Comprehensive Review**
    - Project Development and Support
    - 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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# WHY? FOREST RESTORATION

- Watersheds – Denver, Santa Fe
  - Wildlife Habitat – Kirkland's Warbler, Mexican Spotted Owl, Wild Turkeys, Rocky Mtn Elk
  - Wildfire
  - Forest Health – Insects and Disease
  - Wood production
  - Community benefits
  - Job Creation
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# BARK BEETLE MORTALITY



5382448

# Wallow Fire, 2011



# REAP - WOOD TO ENERGY INVESTMENTS

- Total Investment of over \$62M in 190 projects
- Leveraged an additional investment of \$126M
- Total Energy Production of 2.27 million MWh BTU
- Enough to power almost 200,000 average homes

# BIOENERGY PROGRAM FOR ADVANCED BIOFUELS

- Provides payments to producers advanced biofuels
    - 28 Pellet Manufacturers
    - 16 states
    - ~ \$1.4 million in 2011
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# FOREST SERVICE

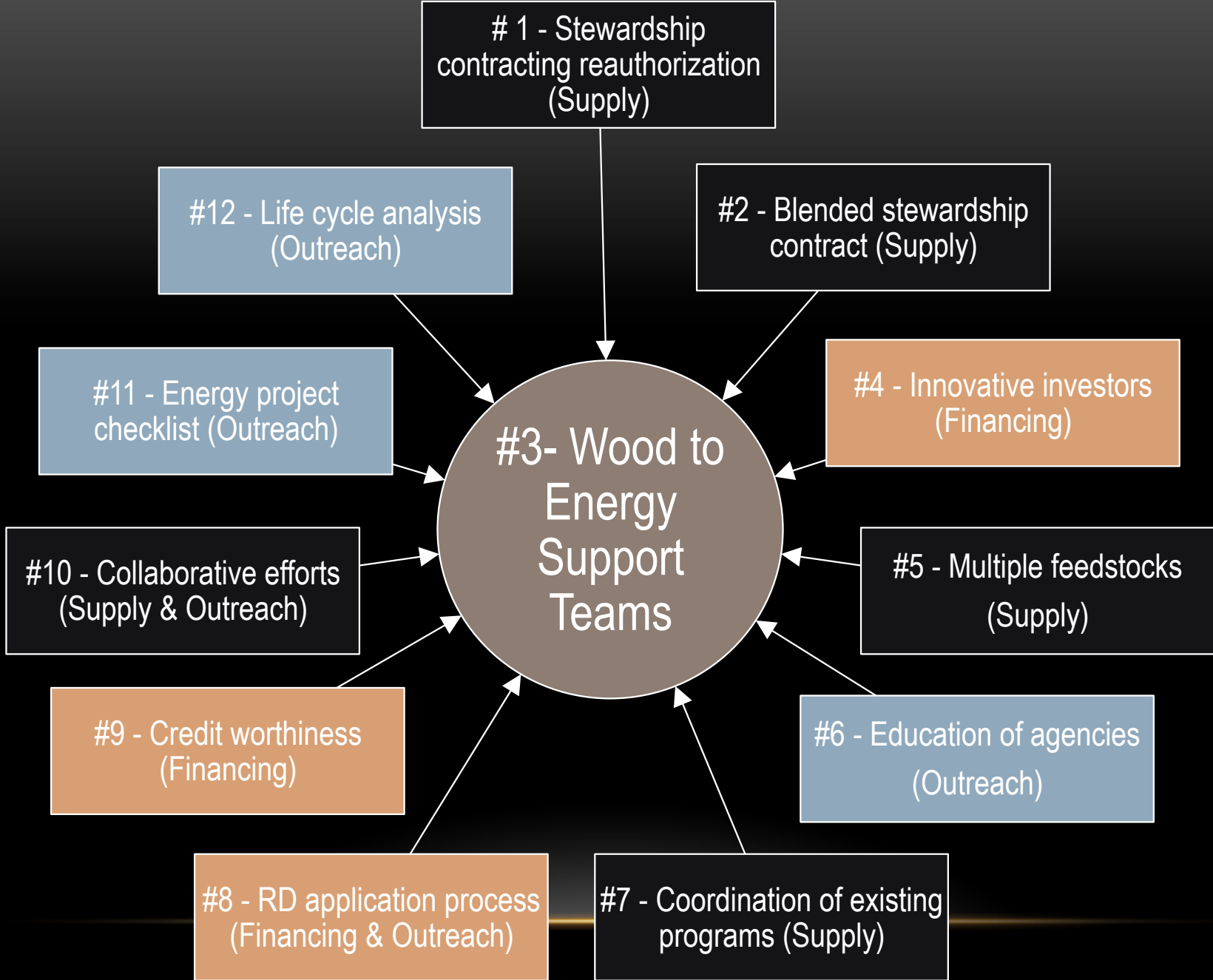
## WOODY BIOMASS UTILIZATION GRANTS

- 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
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# COMPREHENSIVE REVIEW

## 12 ACTION ITEMS

- State Jump-Start 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

- Expanded Work with others – DOD, DOE, HUD, Commerce, EPA
- Funding to make it work – FS FY 2013 Budget CWE
- Focus on developing clusters – production/distribution businesses
- New Financing models
- Focus on Fuel Oil/Propane markets + CHP
  - 25 Billion gal = ~\$75 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
<b>Total</b>	<b>15.3 billion</b>	<b>9.6 billion</b>	<b>24.9 billion</b>
Price	\$3.56	\$2.05	
<b>Total cost</b>	<b>\$54 billion</b>	<b>\$20 billion</b>	<b>\$74 billion</b>

# Top 20 States Fuel Oil and LPG in Billions of Gallons

