

North Carolina Agricultural Energy Partnership
General NCAEP Minutes
January 28, 2010
Piedmont Triad Offices
7025 Albert Pick Road
Greensboro, North Carolina



Around 15 to 20 people joined the NCAEP's first meeting of 2010, to hear John Bonitz, from the Southern Alliance for Clean Energy, address the group. But, before Mr. John Bonitz was introduced, Terry Walmsley gave the Fibrowatt update of the events that happened over the holidays. Mr. Walmsley discussed in summary the history of the Utility Joint Motion, importance of the utilities backing off of their NCUC request, the meeting that took place with the utilities (including the NCSEA participation), and that we have proposed an alternative contract and Fibrowatt is very hopeful now that prior issues have been resolved. Mr. Walmsley mentioned the NOV and indicated that information was on the Fibrowatt website. He also indicated that the issue of nutrient management has really gained visibility and it explains why we have been targeted recently as a possible solution in Virginia.

Mr. John Bonitz was introduced by Judy Stevens as the keynote speaker. Mr. Bonitz began by identifying some of the different types of environmental groups that partner with other groups but are often of a different position with the far-left winged environmental groups. And he stressed the importance of renewable energy is an important part of our energy security as indicated by the 10% of US coal that is now exported. Mr. Bonitz stated that in NC, there is a 9 to 1 ratio of energy available from woody biomass (forestry residue) than livestock manure. John stressed the 25x25 principle and the near-term importance of biomass to this 25% renewable by 2025. Mr. Bonitz cited that researched supported the carbon-neutrality of biomass power but acknowledged that not all biomass is carbon neutral. He mentioned the importance of gasification and pyrolysis as the route for biomass use and that SACE has been working with the Audubon Society and NC Warm to take a middle of the road position on biomass. John referenced a figure for jobs and biomass of 9 jobs per MW. If the 25x25 goal was reached in NC, this would represent 127,000 jobs and \$4.5 billion in additional agricultural revenue. Mr. Bonitz suggested that this

approach could mean additional revenue of \$16,000 per year per farm. He talked about some of the issues they are addressing – specifically concerns about fossil fuels including (a) stressing that global demand for fossil fuel is leading to guaranteed prices rising regardless of RPS or not, (b) opposition to mountain-top mining practices of coal mining, (c) proper acknowledgement of the definition of forest sustainability. He indicated the most likely route for biomass power will be at the industrial level where it is a no-brainer and that they have been working with River keepers organization to support forestry-to-biomass utilization as a preferred land use (as opposed to urban sprawl), working with urban forestry groups to better use biomass resources for biopower, and regional support of federal RPS legislation.

Terry Walmsley asked about any obstacles to biomass power use in NC – John indicated that the issue of biomass export is a real possibility as a British developer is trying to work with the Port of Wilmington to deepen their port so they can source from NC for biomass plants in the UK. Mr. Bonitz also talked about the possible siting of pelletization plants to produce biomass pellets for out of area export of materials and he indicated that the state of NC can support about 25 biomass plants to utilize NC-derived biomass fuel.

Chairwoman Judy Stevens thanked John Bonitz and everyone else for their attendance and support!

Meeting adjourned.