

**North Carolina Agricultural Energy Partnership**  
**Minutes of first meeting**  
**November 18, 2005 11.00 am**  
**GrandOver Resort, Greensboro, NC**

**1. Attendees**

The meeting was attended by:

- Zach Henderson, Wilkes Co. Commissioner
- Gary Page, Wilkes Co. Manager
- Robin Hamby, Wilkes Co. EDC
- Steve Smith, Duke Power
- Judy Stevens, Montgomery Co. EDC
- Jackie Morgan, Union Co. EDC
- Christie Putnam, Union Co. Asst. Co. Mgr
- David Icenhour, Alexander Co. EDC Director
- Sam Whittington, Tyson, Wilkes Co.
- Rupert Fraser (RJF), CEO, Fibrowatt LLC
- Carl Strickler (CWS), COO, Fibrowatt LLC
- Eric Jenkins (EJ), VP of Commercial Development, Fibrowatt LLC
- Terry Walmsley (IPW), VP of Environmental Affairs, Fibrowatt LLC
- Geno Kennedy (GK), Project Consultant, Fibrowatt LLC
- Kellylorén Metzger (KM), Executive Assistant to Rupert Fraser, Fibrowatt LLC

**2. Introductions**

Attendees introduced themselves, with the Fibrowatt Development team highlighting their roles in the Project Development process. In particular:

- Rupert Fraser will be responsible for project initiation, team leadership, political activities and management.
- Carl Strickler will act as Project Manager and be responsible for electricity sales negotiation and managing engineering design resources.
- Eric Jenkins is responsible for fuel and transport contracting and site identification and assessment, as well as other commercial issues.
- Terry Walmsley will be responsible for permitting, fuel test analysis and site assessment (with EJ).
- Geno Kennedy will be responsible for political and regulatory advice and contacts and provide “eyes and ears” representation in North Carolina.

Despite the above specializations, each team member works with all the others on each task.

### **3. Partnership Purpose**

RJF gave a short update on Fibrowatt's Minnesota project and spoke about Fibrowatt's progress in North Carolina to date. Ways in which the Partnership could help make poultry litter fuelled power a reality in North Carolina were discussed, including:

- building local support in the community;
- airing issues relating to siting;
- showing strength of local support at the Legislature;
- helping steer Fibrowatt through sensitive issues.

### **4. Key features of the Projects**

It was noted that developing three projects simultaneously could yield the best economies of scale according to the location and quantity of litter across North Carolina, although it would be unlikely that all three would come to fruition together. Benefits of this approach could include:

- materials cost savings;
- design cost savings;
- better ways of using third party advisors, consultants, and lawyers;
- public and political momentum;
- time savings in critical path items such as permitting .

### **5. Fuel Mix**

It was noted that, while poultry litter will be the main fuel, we will also use 15 or more other types of biomass. Other biomasses need to have a "clean" audit trail with no chemical additives (such as paint).

### **6. Partnership Name**

A brief discussion about the name of the Partnership arose during lunch. Points discussed included:

- Using the word "Biomass" may have better connotations than "Poultry Power" .
- Using the word "Poultry" limits the mission of the partnership because we will be using other types of fuels in practice.
- The name "Agricultural Energy Partnership" was generally approved.

### **7. Project development activities**

The Key milestones, including milestones relating to the Power Purchase Agreement (PPA), fuel, site, permitting, engineering , design and financing, were described by RJF.

- The need for various permits from the NC Utilities Commission was highlighted
- TPW and EJ emphasized the importance of community support during the siting process. TPW listed key siting criteria, which included current zoning of the site, transportation, bio security planning, environmental indices (attainment issues, permitting) and aesthetics.

## **8. Timetable**

The timetable for project development was discussed and the following items were mentioned:

- Siting activities will intensify as soon as there is sufficient certainty about an economic electricity sale structure.
- Permitting is generally the critical path item. It is targeted to start in Spring or early Summer of 2006 and will most likely last approximately a year.
- During that time, other activities such as engineering design and finalising project contracts (including fuel, etc.) will be completed.
- Once permitting is completed, financing will begin and will take approximately 3-6 months.
- Construction will take about two years from the completion of financing.

## **9. Partnership member input requests**

RJF mentioned several areas where Partnership members' input would be highly beneficial, such as:

- Project development costs (assuming 3 simultaneous projects) could be up to \$3 Million for each project. RJF requested information from members about the availability of grant funds to assist in these costs.
- Whom to invite to join the partnership.
- Recommendations for policy advisors, financing contacts, legal advisors (both local and state-wide), local PR, and environmental engineers.
- Recommendations as to how much information about the Partnership we should make public, and how to structure the group.
- Where and how often the meetings should take place. Group consensus was to stay in Greensboro and have meetings either once a month or every other month.

## **10. Natural Gas**

The project's need for natural gas was discussed. CWS stated that we use gas at start up but not during normal operation. We can either use mains gas or propane.

## **11. Manure Tour**

The need to plan for a UK "manure tour" was discussed. No firm date was fixed. This should be considered in January. Plans for the next Partnership meeting were also discussed and late January seemed to be the most likely timeframe.

## **12. Closing comments**

CWS invited all members to call Rob Wolfington, City Manager of Benson, Minnesota for his input on Fibrowatt's track record in Minnesota.