This Way to Sustainability Conference II

Helping Communities Embrace Clean Energy

Funding Sustainable Agriculture

CSU Chico

November 2006

QuickTime™ and a TIFF (Uncompressed) decompressor are needed to see this picture. Stephen Miller, SEI



Thor Bailey, Ag Biomass Council

Who Are We?

Helping Communities Embrace Clean Energy

Strategic Energy Innovations...

Non profit established in 1997



Empowers underserved markets

- such as schools and universities
- small & rural communities
- affordable housing developers/managers
 accomplish their green building & clean energy goals.

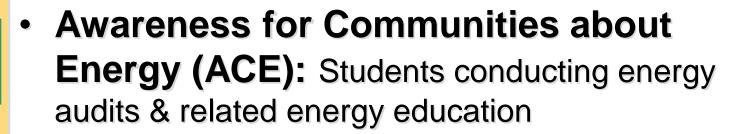




SEI's Higher Education Programs

Helping Communities Embrace Clean Energy







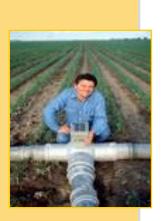
Green Campus Program: Student interns promoting energy efficient technologies and conservation practices across primary areas on campus: housing, dining and facilities



Green Residence Hall Demonstrations:
 Design, technical & marketing assistance in support of on-campus showcases of green lifestyle and energy efficient products

California's Central Valley

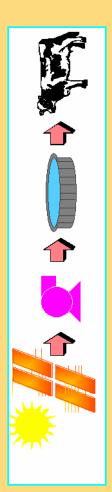




- California's Central Valley (CV) is known for its extraordinary abundant and varied agriculture, having a reputation for being the most productive agricultural area in the world.
 - The CV is home to nearly half of the state's farmland and almost 75% of the irrigated land.
 - Its warm climate & intense irrigation allow the production of several crops not seen in other parts of the country: rice, almonds, figs, kiwifruit, nectarines, olives and walnuts.
 - Nine of the nation's top ten agricultural producing counties are in the Central Valley, including Fresno, Tulare, Kern, Merced, San Joaquin, and Stanislaus.



California's Central Valley (Contd.)



- California is also the largest food-processing employer in the country, shipping \$50 billion worth of food products annually.
 - The state's fruit and vegetable processing is centered in the San Joaquin and Sacramento Valleys.
- The Central Valley is experiencing the fastest rate of population growth in the state.
 - The CV has the second worst air-quality in the nation.
- Agriculture is highly dependent on electricity for irrigation and post-harvest processing.
 - Ag is the 3rd largest industry consumer of electricity in California.
- The State and the EPA have recently placed new air & water quality standards in play that press farmers to invest in & maintain low-emissions technologies on their properties.

AG BIOMASS COUNCIL



- Core group of Central Valley Farmers,
 Sustainable Farming Advocates and Developers
 focused on technical and financial support for
 small- to medium-sized biomass projects!
- Converting waste biomass to value add products is an environmental mitigation & resource conservation opportunity, requiring socially responsible investments for modest returns!
- Infrastructure & trained employee pool to support rural projects does not exist!

AG BIOMASS COUNCIL



Helping Communities
Embrace Clean Energy

ABC & CALIFORNIA HIGHER EDUCATION



R&D & Training: CSU Chico • Butte College

Green Credits: Green Capital Network

Technical Partners: *Ag Biomass Alliance*Applied Biomass Technology, Ag TEaM Solutions, California Biofuels, Western Energy Systems, Dairy Resource Group



Policy & Market Strategy:

UC Merced

Great Valley Center

Strategic Enterprise Development Group (SEDG)

FEEDSTOCK MANAGEMENT



- Type: Determine need and optimum technology conversion system for maximum economic return from products produced.
- Sources: Orchard removal & pruning fruit pits urban & industrial wood waste lot clearing brush
 leaves & grass clippings food processing waste equestrian straw cattle, hog, chicken manure
- Location: Minimizing transportation is critical.
- Availability: Long term source & contracts required.
- Financing: Hard to find because of variables, low yield return.



- Leo & Linda Langerwerf in Durham owners.
- Digester was installed in 1982, one of the first in California and still operating today.
- Plug flow digester converts manure from 350 milk cows into biogas (methane). Runs engine/generator that produces 75 kwh of electricity & hot water heat for home and milking facility.
- Soil Amendment left over from digester sold locally, water retained in pond and used for irrigation on the Langerwerf Farm.





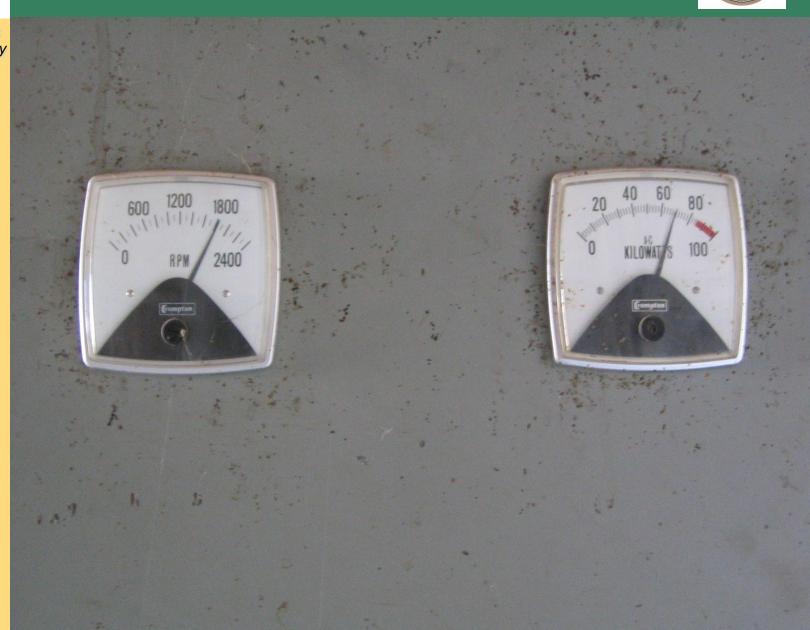












GREEN WASTE DIGESTERS



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- Converts any organic waste material into methane gas for heat & electric energy use, while producing a weed free soil amendment by-product!
- ONSITE POWER SYSTEMS INC Davis (web site): www.onsitepowersystems.com
- PRO PACIFIC & RANCHO ESQUON Durham
 Proposed AADS may use local food & green waste diverted from land fill in addition to other agriculture sources: rice straw, manure & spoiled products.

Joint Venture: ABT Inc. & Bio-methane LLC

GASIFICATION



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GREEN CAPITAL NETWORK - Fresno

- Proposed Gussing gasification system producing 7 megawatts of electricity and thermal energy for production of 50 million gallons of ethanol annually.
- Only one is operating in Austria & this may be the first of this design in California.
- Project was proposed based on the need for local farmers alternative to field burning of orchard pruning estimated to be 50,000 + acres.
- Targeted to displace purchase of fossil fuel (natural gas) and create green credits.

Wood Chips to Heat, Power & Biofuels

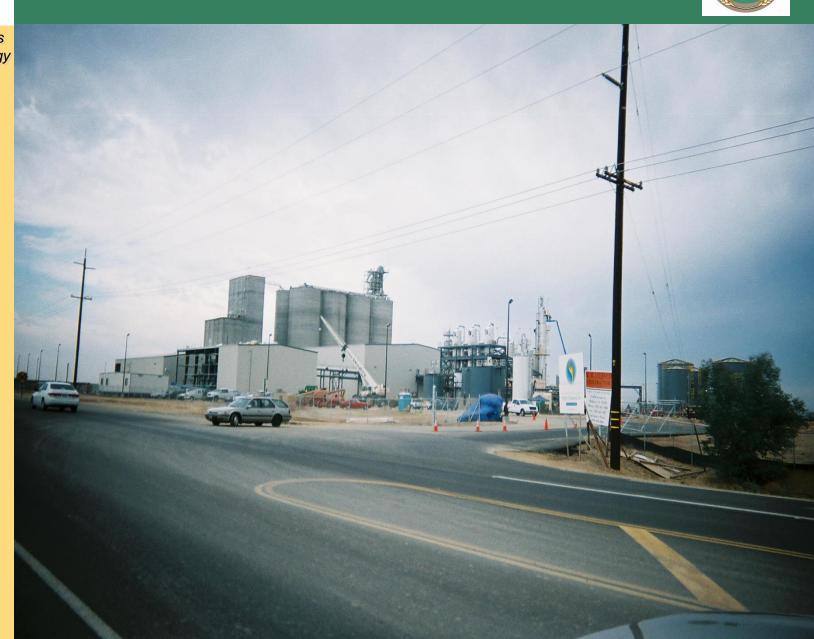
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Gussing Community Power plant as result of economic necessity & realization to do something creative and constructive with woody biomass in the area.

PACIFIC ETHANOL INC.





PACIFIC ETHANOL INC





CALIFORNIA BIOFUELS LLC



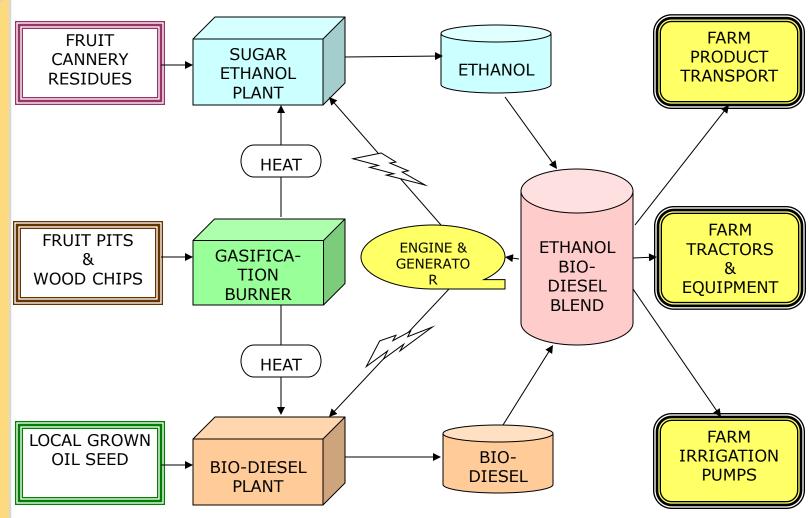
- Group of 8 local fruit growers intend to develop integrated cannery residues management program through sugar based ethanol production.
- Proposed facility being planned south of Oroville for an integrated closed loop farm energy system.
- Proposed integrated system technologies may include, ethanol, gasification, bio-diesel, compost.
- Products will be produced for California Biofuels members and surplus sold to local farmers.

ENERGY FARM SCENARIO



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PROPOSED INTEGRATED BIOMASS CONVERSION SYSTEM



CURRENT STRATEGIES & NEXT STEPS



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INFORMING A NEW DIRECTION!

- Educate California legislators regarding the financial disparity between rural & urban biomass systems!
- Bridge the funding gap between farm produced energy & utility/investor driven energy systems!
- Tap transfer of farm land for housing & commercial development to create funding for small projects!
- Help our members develop a new generation of qualified farm friendly biomass technology, engineers, and project managers for facilities!



Thank You!

Helping Communities Embrace Clean Energy

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