

08/07/06
FEDC Think Tank
Cost of Energy in the Community SubGroup
7:00 AM
FEDC Offices

Attendees:

Jim Dodson, Tom Irwin, Doug Isaacson, Bernard Gatewood, Ryan Colgan, Kevin Pommeroy, Jack Hebert, Paul Metz, Bob Shefchik

7:10 Tom Irwin called the meeting to order.

1. The group reviewed and accepted the agenda.
2. The group reviewed the outline of the meeting from 07/19/06 that was provided as a summary of the discussion from that meeting.
3. Cassie, FEDC's Project Manager for Forestry, called into the meeting and provided an oral presentation on FEDC's analysis of a bio-fuels wood pellet project.

The components of the analysis were outlined as follows:

- Location
- Raw Materials
- Availability of Employees
- Cost Feasibility (at this point in her work right now)
- Consumer Market Demand
- Community Support
- Transportation
- Environmental Impact

Cassie outlined general components and summarized what she had learned to date in each area.

Questions were asked and information provided about:

- Su-valley chop industry
- Pelletizing coal
- Amount of raw vs. finished product 50 - 20
- Tonnage of raw product per acre
- Size of plant
 - # employees 12-20
 - Tonnage per hour 4-6
 - # consumer homes per year served 4,000
- Pellet stoves in other countries
- Tonnage of wood product to landfill

At this point, Ryan Colgan provided information on the bio-fuels work that he is performing for the FNSB. Main focus areas include:

- Biomass to Energy
- Waste to Energy
- Manufacture and Distribute Biomass plants to rural communities
- R&D

Ryan provided a brief summary of his work in these areas.

Additional questions and discussion back to Cassie covering:

- Juneau pellet programs in the past
- Banks' perception of pellet fuel as main source
- Woodstove and pellet availability
- Pellets for heating and electrical generation
- Bio-Diesel (from canola seeds) project in Delta (Paul suggested a presentation by UAF on this at a future meeting and agreed to help Jim Dodson set it up)
- Grains to fuel

Cassie offered to provide an electronic copy of her presentation to the group.

4. Discussion of wind generation - Tom Irwin 7:55 am

Tom outlined some basics on economics of power generation. Historically, cost factor considerations were #1 cost of capital and #2 cost of fuel. With high fuel costs – considerations reversed to #1 cost of fuel and #2 cost of capital. With wind being free – increased interest in wind generated power.

Information presented and questioned asked on:

- “Best Wind” locations
- Site issues by Eva Creek
- 4 test sites by Eva Creek
- Icing and snow loads
- Avian studies
- End goal of 20MW
- Fire island and intertie studies
- Towers for data collection
- Access and cost of installing towers w/ huge crane
- Benefits to mining and reclamation
- Surface rights and risk if exploration capital
- Capital cost of 20 – 1.5MW towers (Tom will get answer)
- Suggestions on how to approach BP – London for wind power funding

5. ANGDA – Final topic

There was a discussion of an ANGDA report, provided to the group as a possible template for the group to use in comparing energy alternatives. Several expressions of interest were offered by members. The request from Tom Irwin was that all group members read and review the ANGDA report – primarily as a tool for the groups use. Further discussion will occur at the next meeting. E-mail

5. Next Meeting

Next meeting will be Wednesday, August 16th, 7:00 am, FEDC Offices.