Lincoln County Economic Development Council Special Edition Newsletter

The 10th Annual "Harvesting Clean Energy" Conference

Held in the Tri-Cities Feb. 7-9, this conference combined agriculture and energy interests to advance new opportunities for rural economic development.

EDC Members,
I attended this conference on behalf of the EDC and I found it to be a great resource for Lincoln County. These are my notes from the seminars I attended while I was there. Some of this information will be familiar to you already so skip what you already know and look for something you don't. I hope that you will see an opportunity for yourself or for someone else in Lincoln County. And please, let us know how we can help!

Thank you, Margie Hall

FYI: The total cost to the EDC for this conference was $450.

Seminar: Clean Energy for Good Rural Jobs

This panel included an Energy Utility VP, the Business Manager for a local electrician's union, a representative from a regional community college and an Energy Engineer from the National Center for Appropriate Technology in Butte, Montana.
They discussed the results of a recent survey of renewable energy (RE) employers. http://www.energy.wsu.edu/documents/workforce/green_Jobs_in_Washington_State_2010.pdf

Employer's perspective of current industry:
Federal and state policies are driving growth.
The industry is experiencing uneven patterns of development.
Renewable energy employers are optimistic and view the recession as a temporary setback.

Employer's perspective of workforce issues:
A lack of experienced workers in the labor market.
A need for more than one skill in an industry.
A lack of RE education and training and capacity for both.
A need to balance education and application.
Public policies and Green Economy goals impact renewable sectors differently; many opportunities and challenges.

Seminar: Tapping USDA Funding

The four programs that got the most attention were:
Biomass Crop Assistance Program (BCAP) Support to establish and produce unsubsidized bioenergy crops. This is a two phase program. Phase one is in a 60-day comment period. Phase two is scheduled for next fall. Patterned after CRP except the grower would receive both land *and* crop revenue. This is being implemented by the Farm Service Agency. www.fsa.usda.gov/bcap
Rural Energy for America Program (REAP,) Grants and guaranteed loans for ag producers and rural small businesses (smaller businesses score higher) to purchase and install renewable energy systems, make energy-efficiency improvements, and conduct energy audits and feasibility studies. Don't miss this PowerPoint if interested in this program http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Singh%20130.pdf
Value-Added Producer Grants provide planning and working capital for marketing value-added ag products and farm-based renewable energy. Independent producers, producer groups and farmer and rancher co-ops are eligible.
Rural Business Enterprise Grant Program provides grants to rural towns, communities, State agencies, authorities, tribes and non-profits for projects that benefit small and emerging private businesses in rural areas. Uses include project planning and construction, acquiring equipment, employment-related education, land acquisition and access, pollution control and transportation improvement. Smaller projects are given higher priority.
Other programs are available www.rurdev.usda.gov/rbs/busp/bprogs.htm The PowerPoint gives application tips. http://ww.harvestcleanenergy.org/conference/HCE10/PPTs/Cassidy%20130.pdf

Seminar: Politics & Your Project

Katy Kirking, Strategies 360: Tips for taking your RE project to politicians for support:
Get to know the staff and the different funding options. Don't play staff off each another and don't try to go straight to the top.
"Create a crowd." Gather support letters from a broad variety of stakeholders.
Don't send a letter about your project to just one Senator. Send it to all of them. Then focus on those that you know are most likely to support your type of project. It's important to also know who is not going to support your project.
They like to fund the gap and "then come to the ribbon cutting." Keep requests under $1 million and make them a small portion of your project budget.
Politicians do think about votes so make sure your project serves a common good.
Don't be afraid to bring policy or regulatory barriers to their attention.

Jeff Bell, Gallatin Public Affairs: Tips for taking your RE project to the public.
Make sure project partners agree on 1) internal organizational structure; 2) project timeline; 3) attitude to be presented to the public.
Define your project before your opposition does. Clarify why your project is needed and who will benefit before you discuss any details.
Do your public opinion research – gauge the public's awareness and support or opposition to RE. Is it part of the area's agenda?
Include the public early and often. Build their support. Remember that there are no secrets in a rural community.
Be prepared to respond to opposition.
Engage landowners, talk about compensation, become partners with them. Consider forming a Land Owner Advisory Committee.
Get the support of the industry your project is part of.
His PowerPoint is available online at http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Bell.02.09.pdf

Best Keynote Speakers

Richard Wynne, "Boeing and the Pursuit of Sustainable Biofuels: Outlining the potential agricultural role in developing renewable energy sources for aviation."
"1% by 2015" is the goal [that means 750 million gallons for the northwest alone, the equivalent of 15 million acres of crops.] Wynne said, "Boeing needs sustainable biofuels and will facilitate financing and delivery of feedstocks to meet that goal." The favorite crop right now is Camolina and the PNW is a focal point for production and for "sustainable aviation at large." The military is focusing on Camolina as well.
David Kolsrud, DAK Renewable Energy, "Farmers as Renewable Energy Entrepreneurs." A farmer who has helped organize over $1 billion in farmer-owned renewable energy (RE) projects. His advice: "Don't wait for the perfect opportunity." "Don't keep your vision to yourself. Get all stakeholders involved." "You have to have market, feedstock and gov't support to be successful." He uses loan guarantee programs because "the bank is more likely to stick with you through the tough times."; Google Farmers Renewable Energy Entrepreneurs (FREE) and The Brick Advantage project for jumpstarting your project.
His prediction: "I think there's going to be a huge emphasis on nutritional foods. It's going to be the next big wave."

Seminar: Energy Opportunities for Rural Landowners and How To Fund Them

If you are considering a RE project on your land:

- Know your site attributes and the viability of RE projects that will fit those attributes.
- If you are considering leasing your land to a utility be sure to include someone with experience in the transaction.
- If you are going to do your own project you need feedstock sources, an agreement to collect feedstock, a process to turn it into energy and a method of getting that energy to the grid.
- Don't go into a RE project for its environmental attributes. Carbon credits and Renewable Energy Certificates are "the icing on the cake."

Be prepared *before* you go for funding:

- Bring some capital.
- Know the technology risks. Is it proven? Seek out experts. Too much risks and banks won't lend.
- Know the commodity risks. Finding a way to tighten the commodity risks is important to investors.
- Eliminate operational risk. Make sure you have a competent, experienced operations team and a solid operations plan.
- A strong management team is essential to investors. Key people on the management team must be credible, experienced in the field and possess industry-related skills.
- Figure out ways to increase your revenue. This helps convince lenders and grantors.

Seminar: Northwest Feedstocks Wrestling with Sustainability

Chad Kruger previewed the new report "Climate Friendly Farming" to be released by WSU Center for Sustaining Ag and Natural Resources on March 1st. www.csanr.wsu.edu/CFF/Index.html

David Huggins, a USDA soil scientist from Pullman, spoke on harvesting wheat straw and the soil issues that come with it. He recommends reading the report "Estimating Agricultural Impacts of Expanded Ethanol Production: Policy Implications for Water Demand and Quality." http://ageconsearch.umn.edu/bitstream/6700/2/44984.pdf and the book *Dirt: The Erosion of Civilizations*, by David Montgomery.
His opinion: Stripping wheat straw for biomass is not worth the cost to the soil. http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Huggins_02.08.pdf

Seminar: Bioenergy Feedstocks Expanding Supply for our Emerging Bio-Economy

Hal Collins, USDA-ARS Prosser Office, took on the benefits and the challenges of producing oilseed crops and the need for farmers to buy in. He points out that a 2% biodiesel mandate in Washington equates to an in-state market for 200,000 acres of oilseed crops. He was excellent and if you are a farmer or you know a farmer you should check out his PowerPoint. It is packed with info http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Collins_02.08.pdf
Scott Johnson, Pres. of Sustainable Oils, talked about the need to start with certified, highly stable seed. He is pro-Camolina because both aviation and the military are focusing on Camolina.
Richard Hess, Idaho Nat'l Laboratory, discussed the fact that equipment performance is a top barrier and what he thinks needs to be done about it. http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Hess_02.08.pdf
Jon Scott, Evergreen Fuel Technologies, Inc., spoke about his company's Agtricity™ Clean Energy Centers that convert ag residuals and refuse into fuel. His PowerPoint provides good information on turning ag residuals into energy, including stats by county. http://www.harvestcleanenergy.org/conference/HCE10/PPTs/Scott_.02.08.pdf

EDC Contact Information

Margie Hall edcmargie@centurylink.net
Joyce Mings edcjoyce@centurylink.net
Phone: (509) 725-1170 / Fax: (509) 725-1172