



Client Name - Confidential
Final Report

Biomass Resource Evaluation

Prepared by: ANTARES Group Inc.
Date:



Title: Biomass Fuel Supply Study

Client: Confidential

Objective: To assess the availability and delivery cost of the woody biomass required to supply a 100MW plant located in XXXX County.

Description: The availability and cost to deliver woody biomass required supply a 100 Megawatt (MW) plant located in XXXX County, XX was assessed. The analysis considered a variety of biomass sources including: manufacturing residues from regional wood processing plants (e.g., sawdust, chips/shavings, and scraps/bark); forest harvesting (logging) residues; unmerchantable timber; and landfill waste (if applicable in the region). ANTARES assessed the supplies within an economically viable transportation distance of approximately 150 miles from the plant site. ANTARES used an in-house model to assess the impact local competition from fiber consuming plants could have on availability and cost.

Task 1 consisted of:

- a market background and historical review
- a current supply study
- a market competition analysis

Task 2 provided:

- a detailed cost analysis of the biomass resources
- a discussion of specific market competitors
- a case study on possible scenarios
- a break-even analysis

The results from these tasks were discussed and delivered in a final written report and then presented in a power point presentation at the end of the project.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	ii
TABLE OF CONTENTS	vi
LIST OF FIGURES	viii
LIST OF TABLES.....	ix
LIST OF ACRONYMS	x
LIST OF ASSUMPTIONS.....	xi
GLOSSARY.....	xii
1 INTRODUCTION	1-1
Project Purpose.....	1-1
Data Sources and Terminology.....	1-2
Background	1-4
Methods and Analytical Approach.....	1-6
Resource Types	1-6
Supply Area Description	1-7
Analytical Approach.....	1-9
2 BIOMASS FUEL RESOURCE AVAILABILITY.....	2-1
Manufacturing Byproducts.....	2-1
Forest Biomass	2-4
Forest Resource Data Sources	2-4
Forest Resource Overview	2-4
Landownership	2-6
Public Lands	2-7
Privately Owned Lands.....	2-8
Forest Biomass Production.....	2-9
Forest Residues, Timber Stand Improvement and Land Clearing/Thinning.....	2-11
Current Demand for Forest Biomass.....	2-15
Forest Biomass Availability.....	2-15
Urban Wood.....	2-18
Summary of Biomass Fuel Availability	2-24
Resource Composition and Quality.....	2-26

Key Logistical Issues.....	2-28
Collection.....	2-28
Transportation	2-30
On Site Infrastructure	2-31
Comparative Analysis.....	2-32
Procurement Area	2-32
Forest Inventory Data	2-33
Forest Residue Pricing	2-33
Urban Wood	2-34
3 BIOMASS FUEL SUPPLY AND PRICING ANALYSIS.....	3-1
Historical Price Variability.....	3-1
Analytical Review of Drivers for the Cost of Fuel Chips	3-4
Model Description.....	3-5
Model Results.....	3-6
4 CONCLUSIONS	4-1
A APPENDIX – ANTARES QUALIFICATIONS	A-1
B APPENDIX – COUNTY PROPORTIONS IN FOREST SHED	B-1

LIST OF FIGURES

Figure 1 Wood Prices Part A	1-5
Figure 2 Wood Prices Part B	1-6
Figure 3 75-mile and 150-mile Supply Shed Radius.....	1-8
Figure 4 Map of Producing Wood Products Manufacturers	2-3
Figure 5 Plant Forest Shed Major Forest Types Acre Distribution.....	2-5
Figure 6 Plant Forest Shed Major Species Association Acreage	2-6
Figure 7 Land Ownership in the plant Forest Shed	2-7
Figure 8 Map Showing Forest Biomass Availability from Logging Byproducts	2-16
Figure 9 Map Showing Geographic Distribution of Forest Biomass from Land Clearing/Thinning	2-17
Figure 10 Map Showing Landfills.....	2-20
Figure 11 Map Showing Wood Recovery Companies	2-21
Figure 12 Bundled Residue from the John Deere 1490D Slash Bundler.....	2-29
Figure 13 National Truck Availability, Quarterly.....	2-30
Figure 14 Pulp and Fuel Residue Prices	3-2
Figure 15 Fuel Price Comparison	3-3
Figure 16 Whole Tree Chipping Pro Forma Analysis Results.....	3-7
Figure 17 Sensitivity of Delivered Wood Fuel Costs to Diesel Prices (for 25 Mile One- Way Haul)	3-8
Figure 18 Sensitivity of Delivered Wood Fuel Costs to Haul Distance	3-8
Figure 19 Delivered Wood Fuel Sensitivity to Changes in Labor Costs	3-9
Figure 20 Delivered Wood Fuel Cost Sensitivity to Capital Cost	3-9
Figure 21 Summary of High/Low Scenarios and Impacts on Delivered Fuel Costs.....	3-10
Figure 22 Comparison of Cost Model Results to Published Market Data.....	3-11

LIST OF TABLES

Table 1 Ownership in Region Land.....	1-4
Table 2 Availability and Current Market Prices for Manufacturing Byproducts	2-2
Table 3 Plant Forest Shed Total Biomass in Green Tons.....	2-9
Table 4 Plant Forest Shed Pine Growth Rates in Green Tons per Acre.....	2-10
Table 5 Plant Forest Shed Total Forest Residues	2-12
Table 6 Plant Forest Shed Annual Woody Biomass Harvest from Non-commercial Forest Thinning and Land Clearing	2-14
Table 7 Generation of Urban Wood Waste from Urban Forestry and Construction	2-19
Table 8 Wood Recovery Map Key and Contact Information.....	2-22
Table 9 Summary of Biomass Availability from Manufacturing Byproducts, Forest Biomass and Urban Wood Resources	2-25
Table 10 Quantity, Price, Moisture for Contracted Supply, Estimated HHV and \$/MMbtu Values	2-26
Table 11 Approximate Fuel Composition Breakdown Based on Resource Availability in Supply Shed.....	2-27
Table 12 Comparison between previous studies and ANTARES Urban Wood Waste Generation	2-34
Table 13 Pine Pulpwood Volatility.....	3-2
Table 14 Statistics for Fossil Fuels	3-4
Table 15 Model Key Inputs	3-6