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As Biomass Power Rises, a Wood-Fired Plant Is Planned in Texas

By KATE GALBRAITH

The city of Austin, Tex., approved plans on Thursday for a huge plant that will burn waste wood to make electricity, the latest sign of rising interest in a long-dormant form of renewable energy.

When completed in 2012, the East Texas plant will be able to generate 100 megawatts of electricity, enough to power 75,000 homes. That is small by the standards of coal-fired power plants, but plants fueled by wood chips, straw and the like — organic materials collectively known as biomass — have rarely achieved such scale.

Austin Energy, a city-owned utility, has struck a \$2.3 billion, 20-year deal to be the sole purchaser of electricity from Nacogdoches Power, the company that will build the plant for an undisclosed sum. On Thursday, Austin's City Council unanimously approved the deal, which would bring the Austin utility closer to its goal of getting 30 percent of its power from renewable sources by 2020.

"We saw this plant as very important because it gives us a diversity of fuels," said Roger Duncan, general manager of Austin Energy. "Unlike solar and wind, we can run this plant night or day, summer or winter."

More than 100 biomass power plants are connected to the electrical grid in the United States, according to Bill Carlson, former chairman of USA Biomass, an industry group. Most are in California or the Northeast, but some of the new ones are under development in the South, a region with a large wood pulp industry.

The last big wave of investment in the biomass industry came during the 1980s and early 1990s. Interest is rising again as states push to include more renewable power in their mix of electricity generation.

Last week, Georgia Power asked state regulators to approve the conversion of a coal plant into a 96-megawatt biomass plant. An additional 50-megawatt plant in East Texas is expected to be under construction by September.

Mike Whiting, chief executive of Decker Energy International, a developer and owner of four biomass plants around the country, estimates 15 to 20 new biomass plants are proposed in the Southeast, though not all will be built. The region is, he said, "the best part of the U.S. for growing trees."

In California, which has the most biomass plants in the country, momentum is reviving after years of decline. The number of biomass plants has dropped to fewer than 30, from 48 in the early 1990s, because

of the closing of many sawmills and the energy crisis early this decade, said Phil Reese of the California Biomass Energy Alliance. Six to eight of the mothballed plants are gearing up to restart, Mr. Reese said, helping California meet its renewable energy goals.

At least three biomass plants have been proposed in Connecticut, and another three in Massachusetts — though last week one of these, a \$200 million, 50-megawatt biomass plant proposed for the western part of the state, experienced a regulatory setback because of concerns about truck traffic.

Some environmental groups have opposed the Nacogdoches plant. Cyrus Reed, conservation director of the [Sierra Club](#)'s Lone Star chapter, said the plant was not “as clean as it could be” in terms of emissions. He also criticized the lack of a competitive bidding process to build the plant.

Pulp and paper companies operating in wooded East Texas have also opposed the plant, which will require a giant amount of wood residue — one million tons each year. They are concerned that there is not enough wood for their industry and the plant. But Tony Callendrello, vice president of Nacogdoches Power, said the company would use only discarded forest residues, mill waste and the like.

“We have no need — and no intention — to go after anything that the forest-products companies would be using in their production,” he said.

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