

## **Sandoval County Regional Biomass Working Group**

Wood Supply Small Group Meeting

March, 9<sup>th</sup> 2018

### **Action Items:**

- RBWG Working Group Meeting March, 16<sup>th</sup> 2018
- RBWG Working Group Meeting April, 13<sup>th</sup> 2018
- Reach out to Matt Allen to participate in upcoming meetings and discuss Biochar efforts
- Need to produce land ownership map to overlay on feedstock supplies
- Consult with Sandoval Economic Alliance on the marketing of new biomass products

### **Potential Jemez Location:**

- Jemez location discussed in previous meeting would be an ideal location for facility
  - o Site is South of San Ysidro across the highway
  - o Transfer station and natural gas systems are close
  - o Shipping costs would be cheaper due to location
  - o Site was previously considered for a biofuel facility but could not reach quantity for a large-scale private company
  - o The tribe owns a 95-acre lot would like to develop the site, secured preliminary approval for biomass development
- East Mountain as potential feedstock supply area
  - o High grades may impede feedstock removal
  - o Significant need for increased thinning on east side of Sandias
- How do we feasibly harvest pinon and juniper to create a for-profit product?
  - o Ash content after burning can reach 3%
  - o East Mountain and Jemez Locations ideal for PJ treatments
  - o PJ is best suited to chipping on site
  - o Supply of Pinon and Juniper from Socorro a possible source for material
- The Valles Caldera may only supply a short-term supply of feedstock
  - o The Nature Conservancy analysis estimates 20 tons of biomass per acre
  - o Forestry assumption closer to 14 tons of biomass per acre
  - o Private and State Lands around Pecos, Las Vegas, Espanola and Chupadero Mesa would provide sufficient feedstock
  - o Feedstock diversity is important to protect viability of investment

## **Workforce Capacity**

- Need to build forestry skillsets/vocational training
  - o Potential connection with SEA, Santa Fe Community College and Northern College to provide vocational training. In addition to “In the woods” training
  - o Need to expand the scope of forest contractor opportunities, reduce turnover and retain skilled individuals in the region.
  - o Workforce training incurs a significant financial and time cost which isn’t recuperated if individuals leave.

## **Transportation**

- Transportation is biggest factor impacting feedstock costs
  - o Drivers and trucks are often not available to ensure continuous production
  - o Gas and maintenance costs often lead to changing haul rates.
  - o Transportation distances do not always negatively impact rates (on good roads longer distances could be covered for the same cost)
- If truckers are managed by the Biomass Facility costs could be reduced
  - o Reduced down time, and increased flexibility around changing feedstock needs.
  - o Potential reduction from \$350 to \$150 per load
  - o Need to consider rail as a method of transporting finished products
- Trucking costs per type of road
  - o \$4/loaded mile on paved roads
  - o \$6-10/loaded mile on Level 3 gravel roads
  - o \$10+/loaded mile for Level 2 gravel roads and below
  - o Could probably get \$250 per load to site at San Ysidro or the Bernalillo landfill for most of Jemez
  - o GIS could be used to more accurately get hauling estimated costs based on road quality and speeds

## **Forest Service Modernization**

- Modernization effort underway to streamline processes and improve efficiency
  - o Burdensome NEPA permitting process limits the extent of restoration projects
  - o NEPA can cost \$60/acre for surveying and require 2 years of analysis
  - o Potential to use technology to streamline the process through the use of drones and LIDAR
  - o Using LIDAR historic sites are easily identified
  - o Potential to survey only a percentage of the target site, similar agreements are already in place with the BLM
  - o Need to renegotiate the SHIPPA Programmatic Agreement

## **Cibola National Forest**

- Cibola Forestry's next big project is the Zunis near the Fort Wingate exit
  - o 30,000 acres to be treated
  - o Private companies are only using trees with 7" diameters
  - o Forest service requires treatment to 3"
  - o Excess could be used in project

## **Economic Opportunity Zones**

- As part of the 2018 Tax Bill, states can designate economic opportunity zones to encourage development
  - o Allows incoming businesses to defer their taxes for up to 10 years
  - o Qualifying census tracts must be below 20% of the poverty line with 63 potentially available for the governor to select.
  - o Locating the Biomass Facility within one of these tracts would provide a significant stimulus for investment.