

Bill Conrad: GRU's biomass decision makes sense

By Bill Conrad

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I serve on the Policy Makers Committee of the American Public Power Association as well as on the Board of Directors of the Florida Municipal Power Association. In this capacity, I have been able to observe the long range planning of municipal power agencies throughout this state and across the country.

I have been a supporter of the Gainesville biomass concept since its inception and here's why.

In order to make a decision on what kind of fuel will supply our power plants of the future, you have to look 10 to 50 years into the future. From the time a decision is made until the time the first electrons flow to a customer is about 10 years. The power plant will then produce energy for the next 20 to 40 years.

What GRU assumed 10 years ago was that they would need diversity in the fuel supply. They assumed that coal, although cheap right now, had some big time environmental issues and could be expensive in the future. They suspected that the federal government might pass cap-and-trade legislation that would make coal even more expensive.

They assumed that natural gas prices were volatile and couldn't be depended on as a steady source of cheap fuel over the long haul.

All these assumptions proved to be correct 10 years later. Biomass made sense then because it could be produced locally, it was the least polluting and had reasonable and stable pricing. It still makes sense today.

Soon, GRU will generate its first biomass electricity. At this moment in time, it appears biomass energy will be priced about 10 percent higher than gas or coal. But this will inevitably change over the 20 to 40 year lifespan of the biomass plant.

Natural gas has varied in price from \$2 to \$14 per MMBtu in the last six years. It was at \$2 earlier this year, \$3.50 today, who knows what it will be in the future?

People who are speculating that biomass will be more expensive in the future really don't understand the nature of the electric energy market. One of the big advantages of the biomass plant is that it uses locally grown fuel, which has a certain degree of price stability.

I'm from Newberry, a community that has over 10,000 acres of planted pines. Our farmers will employ hundreds of workers to harvest the wood, chip it up and transport it to the Deerhaven plant. While the main trunk of the tree may be sold as lumber, the tops, limbs, bark and stump can all be sold as biomass fuel.

Periodic forest thinning is considered to be a good forestry practice that can rid forests of unwanted and invasive species. This is a renewable, replaceable crop that can sustain Alachua County's electricity needs for the foreseeable future.

It is hard for me to understand why so many people are negative about this innovative facility. This is a bold move by the city of Gainesville and I wish them all the best.

Bill Conrad lives in Newberry.