

Lakeview Biomass Project
Up-date
7/17/2007

Since the announcement by the Governor and DG Energy back in January several key things have happened.

DG Energy was purchased by Marubeni Corporation out of Japan. Since the purchase of DG Marubeni created a subsidiary called Marubeni Sustainable Energy. This purchase and transition has slowed the progress the Lakeview Biomass Project a little. The good news is that Marubeni decided not to go ahead with a couple other energy projects DG had started but this is not the case with the Lakeview Biomass Project.

The Forest Service announced that as a result of this project the local forest would be getting the first 10-year Stewardship Contract in Forest Service Region 6. This announcement assisted the Collins Companies in making a decision to invest in a 6.5 million dollar new small diameter sawmill. BLM is also preparing a 10-year Stewardship contract for rangeland improvement by removing juniper back to historical levels.

LCRI has finished working with BLM, Forest Service, Collins Companies, Marubeni Sustainable Energy, Town of Lakeview, City of Paisley and Lake County on a 20 year MOU for supply. The MOU will be signed in October which will combine a ribbon cutting for the new sawmill and ground breaking for the biomass plant.

Pat King, Marubeni Sustainable Energy, is in charge of project development for the Lakeview Biomass Plant. At first Marubeni was going to buy a used plant and move it to Lakeview, now they are going to buy a new plant. They received bids for the new plant but have not made a selection. Pat is currently working on land lease and sawmill waste with Collins Companies and negotiating with the Town of Lakeview on water from a well that the Town no longer utilizes. Marubeni is in discussions with a several companies on a power purchase agreement.

The original goal is to have the plant up and running by December 2008, any further delays past this month will start pushing the project beyond this date.