
Oregon Biomass Tax Credits

Anaerobic Digestion

February 17, 2015



Oregon's Bioenergy Policies

Oregon Department of Energy

The policy of this state is to support efforts to build, and place in service, biomass-fueled energy production facilities that utilize biomass collected from forests or derived from other sources such as agricultural crop residue...

ORS 526.277



Oregon's Bioenergy Policies

Oregon Department of Energy

The incentives through ODOE Biomass Tax Credit Program has provided for an expansion of renewable energy projects in Oregon based on performance rather than capital invested in the projects. Business has invested in facilities and taken the risk of completion and operation out of the State's hands. Credits are earned based on performance.



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The program has had successes in creating renewable energy in rural communities, which was its primary goal. It was originally intended to stimulate activities in woody biomass energy production. This activity increased significantly in 2010 and 2011, but has been on a decline since 2012. Generation from anaerobic digestion has increased significantly during the same period.



Threemile Canyon Farms By The Numbers

- 6,100 acres potatoes
- 7,500 acres organic crop
- 6,900 acres alfalfa
- 9,200 acres corn
- 1,600 acres wheat
- 700 acres carrots
- 700 acres pasture
- 3,000 acres onion rental
- 1,200 acres mint rental
- 2,600 acres other rental

39,500 Total acres farmed



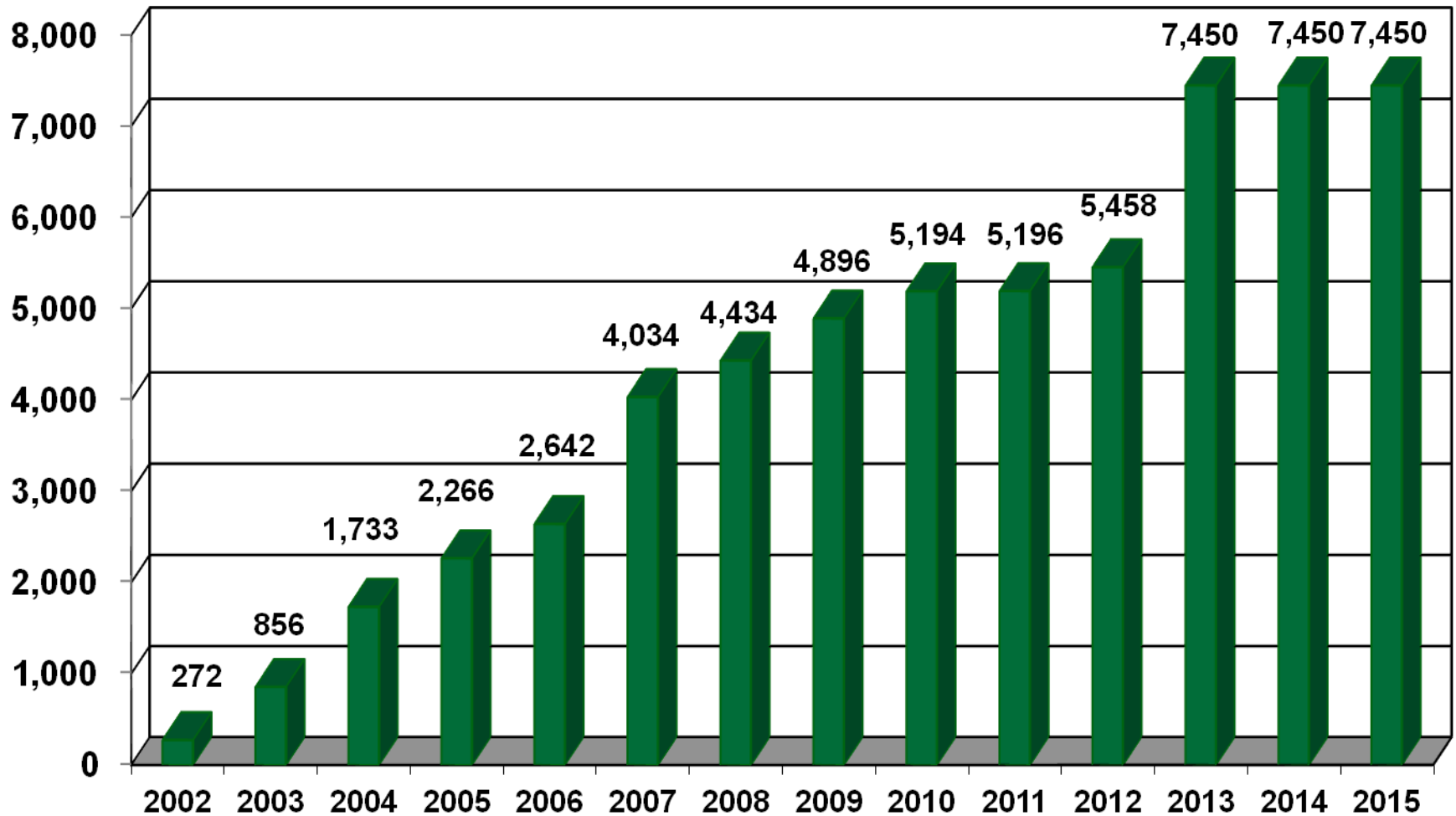
Threemile Canyon Farms By The Numbers

Organic Crops

- 140 acres potatoes
 - 1,040 acres onions
 - 1,580 acres sweet corn
 - 600 acres corn
 - 250 acres alfalfa
 - 1,790 acres peas
 - 1,390 acres green beans
 - 660 acres carrots
- 7,450 Total organic acres farmed



Organic Farming



Threemile Canyon Farms, LLC

Threemile Canyon Farms

Head of Livestock

- Three Dairies 32,000
- Heifer Operations 35,000
- Beef Feed Lot 40,000
- Specialty Pasture Beef 12,000
- **Total Livestock – 2015** **119,000**
- Power Production 4.5 MW



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The ODOE is proposing changes to the Biomass Tax Credit Program with HB 2449 with certain amendments. It modifies the existing bill by extending the program through 2021 and enhancing its benefits to promote renewable energy from food waste and oils, and making the program work better for woody biomass projects.



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- Digesters were one of the BMP recommendations from the Dairy Air Quality Task Force:
 - Reduces green house gas emissions
 - Reduces odors from dairy operations
 - Reduces solids by approximately 30-40%, similar to composting
 - Creates renewable energy from reliable sources



Oregon's Bioenergy Policies

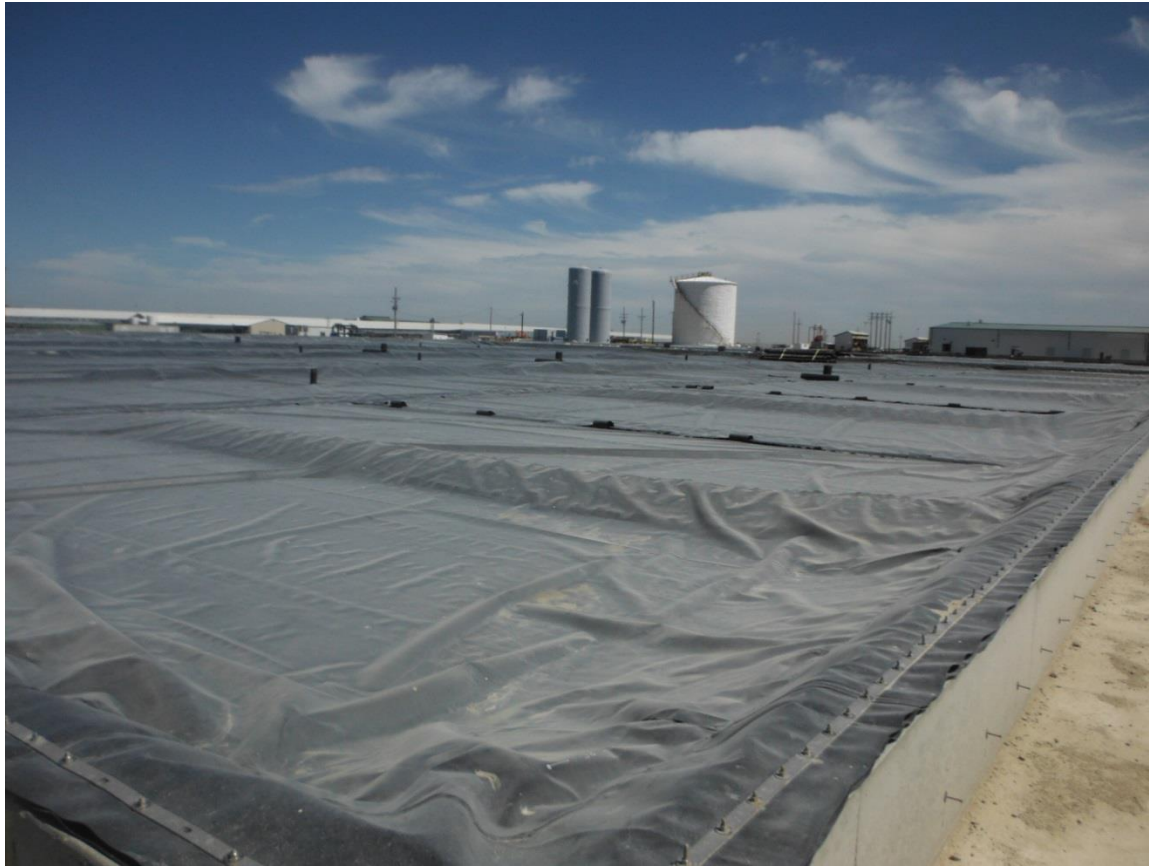
Oregon Department of Energy



Threemile Canyon Farms, LLC

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- Anaerobic digester on dairy operations
 - Capital cost of \$1,200-1,500 per cow
 - Long-term payback, even with the BTC
 - Reliable power to utilities
 - Sustainable fuel source
 - Program has created digesters on 35-40% of Oregon's dairy cows
 - Extension of program can create rural benefits and economic development



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Thank you!



Threemile Canyon Farms, LLC