

Rocky Mountain Restoration Initiative (RMRI)
November 29, 2022, 9:00 AM – 11:00 AM
RMRI Biomass Utilization Subcommittee
Meeting Summary – FINAL

RMRI BIOMASS UTILIZATION SUBCOMMITTEE

ATTENDANCE: Jennifer Hagan-Dier, Molly Pitts, Tim Reader, Jeremy Taylor, Tara Umphries, Samuel Wallace, Kyle Weber, Laura Wolf

ACTION ITEMS

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| Tim Reader and Molly Pitts | Continue discussions with Manufacturer’s Edge to identify opportunities to support wood and forest industry businesses. |
| Tim Reader | Reach out to Dr. Kurt Mackes to identify if there is an opportunity for the National Renewable Energy Laboratory to accept forest treatment byproducts for their biomass energy system. |
| Laura Wolf | Connect Tim Reader to her USFS colleague, who is exploring biomass energy applications for Telluride Ski Resort. |

MEETING SUMMARY

PRESENTATION TOPIC: Manufacturer’s Edge, presented by Jennifer Hagan-Dier

Presentation Points:

- Manufacturer’s Edge is a manufacturing extension partnership (MEP) center. Congress established the MEP program in the 1980s. The program is similar the agricultural extension program, but MEP centers charge for their services. Depending on the state, the program is housed in a non-profit, state agency, or land-grant university. In Colorado, MEPs are a non-profit.
- MEP centers receive federal funding for every manufacturer in the state and must provide matching funds with non-federal dollars. Manufacturer’s Edge is the MEP Center in Colorado. They receive around \$2 million each year. Manufacturer’s Edge is expected to serve as many Colorado companies as possible; one challenge in assisting Colorado’s businesses is that 98% have less than 100 employees.
- MEP centers focus on the business planning side of companies. They can support businesses by helping them strategize and develop business plans, providing technical assistance, and navigating Occupational Safety and Health Administration (OSHA) requirements. MEP centers use in-house expertise to assist businesses. Every state has an MEP center, so MEP centers have access to resources across the nation to address any concerns. MEP centers work through cooperative agreements, not grants.
- Manufacturer’s Edge focuses on operations, people, data and technology, and success planning. Manufacturer’s Edge tends to focus on long-term planning rather than addressing immediate needs. Their ideal client base is businesses that are scaling up and looking to be proactive in their business planning. Manufacturer’s Edge can help non-manufacturing businesses as well.
- Manufacturer’s Edge can work with businesses to conduct a business health assessment. They begin this process by having companies fill out a 50-question assessment. They compile the information from the assessment, identify business challenges, and then begin deploying resources to address those challenges.
- MEP centers are measured in their impact with oversight from the federal government. Each MEP center has to provide evidence-driven data to demonstrate they have provided services to the state. Manufacturer’s Edge has ten metrics. They regularly submit surveys to show how they are doing in each metric. A third party must also evaluate Manufacturer’s Edge’s performance every six months using the ten metrics.
- Manufacturer’s Edge just launched the Colorado Manufacturing Network in partnership with the Colorado Office of Economic Development and International Trade and the Colorado Advanced Manufacturing Association. The Colorado Manufacturing Network is a tool to help connect manufacturing businesses around Colorado. Businesses can use the Colorado Manufacturing Network to share their needs with other companies. For example, a company could share that it requires a certain product, and a supplier can use that information to connect with the company in need. The tool currently focuses on businesses with metal manufacturing, but there could be an opportunity to extend the tool to the wood sector. Manufacturer’s Edge also plans on putting grant information into the database eventually. Manufacturer’s Edge is also creating a verification system to ensure businesses on the Colorado Manufacturing Network are real.

DISCUSSION TOPIC: Opportunities for Partnership with Manufacturer's Edge

Discussion Points:

- Manufacturer's Edge can host webinars for industry sectors on specific topics as needed. They can also help organize regional roundtables for specific industries and generate geographically oriented workforce and economic trends for industry sectors.
- Hosting an industry tour in Southwest Colorado would be beneficial so that Manufacturer's Edge can learn more about the forest businesses.
- Manufacturer's Edge does not have as much experience in wood businesses as they would like. Manufacturer's Edge can reach out to other states to see how they have promoted biomass initiatives, particularly in the south.
- Manufacturer's Edge focuses on businesses ready to expand and grow, less on people applying for business licenses.
- Manufacturer's Edge can help businesses by connecting suppliers and buyers in their network.
- The RMRI Biomass Utilization Subcommittee has faced challenges trying to quantify the impact of the wood industry in Colorado. In national databases, wood products are often considered a subset of the agricultural industry. Manufacturer's Edge can pull data from their database for the whole state and by region to quantify their impact.
- The Bipartisan Infrastructure Law (BIL) provides funding to expand wood industry businesses. Manufacturer's Edge could help businesses plan for expansion in preparation for future funding. There is an opportunity along the Front Range, in particular, to expand the industry.
- Manufacturer's Edge can help support workforce recruitment and retention efforts, too. To continue that discussion, there may be an opportunity to connect Manufacturer's Edge with the RMRI Workforce Capacity Subcommittee.

Decisions/Action Items:

- **Tim Reader and Molly Pitts:** Continue discussions with Manufacturer's Edge to identify opportunities to support wood and forest industry businesses.

DISCUSSION TOPIC: 2022 Wood Products Infrastructure Assistance Program

Discussion Points:

- BIL provides funding for the Wood Products Infrastructure Assistance Program. The program is designed to provide financial assistance to facilities that purchase treatment byproducts from high and very high-priority areas. Priority areas are characterized by a high risk of severe wildfire and/or insect and disease infestation.
- The funding is eligible for a facility that sources most of its material from federal lands. An applicant can use the funds to establish a new facility, reopen a facility, retrofit a facility, or improve the operations of an existing facility to increase efficiencies and reduce costs.
- The Wood Products Infrastructure Assistance Program is relatively flexible. Although, it is unlikely the funding can be used for projects like establishing a sort yard.
- Businesses that received Wood Innovation Grants are still eligible to apply for Wood Products Infrastructure Assistance Program funding.
- Applications for the Wood Products Infrastructure Assistance Program are due on December 20. The application is streamlined and easier to put together than a traditional proposal request. However, businesses will need to gather a lot of data for the proposal.
- BIL allocated \$400 million to the wood industry. It would be more beneficial for the US Forest Service to allocate that money sooner rather than later. Slowly allocating the funding over five years will decrease the impact of the funding. Additionally, costs of goods and services have increased substantially, so the USFS should consider raising the maximum amount for applications.

Decisions/Action Items:

None

DISCUSSION TOPIC: Opportunities for Wood Energy in Heating Applications

Discussion Points:

- The USFS and Jefferson Conservation District have been exploring opportunities to utilize biomass for heating applications. In particular, they have been interested in engaging with Coors to identify the potential use of biomass for thermal applications in industrial operations.
- Around five years ago, Colorado formed a wood energy team, and that team worked to identify opportunities for wood energy across the team. Dr. Kurt Mackes talked to Coors then, and the team also talked to Budweiser outside Fort Collins. At the time, it was not economically feasible to pursue wood energy for industrial heating applications. Since then, energy prices and discussions on climate change have changed, which may create new opportunities for utilizing wood energy. Overall, it is still not likely to justify the use of wood energy economically, especially if facilities have access to natural gas. Still, there may be an opportunity if any businesses are interested in climate-focused solutions. Additionally, if facilities use propane for heating, it becomes more economically justifiable to transition to wood energy.
- Colorado State Forest Service (CSFS) has recently worked with New Belgium Brewery to identify opportunities to apply wood energy. Fort Collins is working on a fairly aggressive zero-waste program, so they are looking for ways to dispose of biomass generated in urban and community forest operations. Ultimately, New Belgium Brewery did not have the capacity to pursue a wood energy project.
- Schools and correctional facilities are good candidates for thermal applications of wood energy. Boulder County utilizes biofuels for heating some of its facilities.
- Public facilities have longer payback periods than private businesses, which helps with the economics. If Jefferson County implemented a similar project as Boulder County, they could heat schools and other facilities with biofuels.
- CSFS has a small tool online that planners and architects can use to design a new building for biomass utilization. Some older facilities cannot be retrofitted for biomass utilization, depending on the size of the boiler. CSFS tries to educate municipal and county governments that they can take simple design steps to prepare facilities for future biomass energy applications.
- In the past, the Colorado State Legislature considered incorporating biomass as a potential heating source in new building construction, but they did not choose to codify these design requirements.
- Communities have gotten stricter on air regulation restrictions. These restrictions make it challenging to utilize biomass energy in some cases.
- There may be an opportunity to supply the National Renewable Energy Laboratory (NREL) with wood for its biomass energy system. Additionally, ski areas may be another potential opportunity for utilizing wood energy. Telluride, in particular, is interested in utilizing biomass energy for thermal applications.
- Dr. Kurt Mackes' statewide biomass assessment will evaluate the carbon impacts of utilizing biomass energy. The outcomes of that assessment may help address economic concerns related to biomass energy.
- Communities have also established feedstock yards to gather the materials that facilities can use to generate energy. Feedstock yards require land but can help generate supply to support biomass energy systems.

Decisions/Action Items:

- **Tim Reader:** Reach out to Dr. Kurt Mackes to identify if there is an opportunity for the National Renewable Energy Laboratory to accept forest treatment byproducts for their biomass energy system.
- **Laura Wolf:** Connect Tim Reader to her USFS colleague, who is exploring biomass energy applications for Telluride Ski Resort.

DISCUSSION TOPIC: Other Updates

- CSFS's Forest Restoration and Wildfire Risk Mitigation (FRWRM) grant program received 121 applications. Of those 121 applications, 112 were eligible. In total, the projects accounted for \$29.7 million worth of ask. The FRWRM program had \$15 million to allocate.
- Tim Kylo resigned from Montrose Forest Products, so Molly Pitts is filling his seat on RMRI subcommittees.
- Manufacturer's Edge is scheduled to visit Aspen Wall Wood and Timber Age Systems.
- The USFS Washington Office has issued a press release and various tools to explore how BIL funding has impacted wildfire reduction projects, including a highlight in the Upper South Platte landscape.
- The next RMRI Leadership Team meeting is planned for late January/early February. The meeting may involve updates from the subcommittees.
- The Council of Western State Foresters will release a report on wood wool cement and other new wood products in late December/early January. The report will highlight manufacturing requirements and economics.

Decisions/Action Items:
None.

NEXT STEPS

The next Biomass Utilization Subcommittee meeting will be in late January/early February. Samuel Wallace will send a Doodle to schedule the meeting.