

TESTIMONY OF CHARLES ABBOTT, COO, GREENLEAF POWER
BEFORE THE ENERGY AND TECHNOLOGY COMMITTEE

HB 5496: AN ACT CONCERNING BIOMASS

MARCH 10, 2016

Senator Doyle, Representative Reed and Members of the Energy and Technology Committee:

My name is Charles Abbott and I am Chief Operating Officer for Greenleaf Power. I am here today to testify in support of HB 5496 *An Act Concerning Biomass*.

Greenleaf Power owns and operates five biomass plants in North America totaling 150 MW of output, including its newest acquisition, Plainfield Renewable Energy in Plainfield, CT.

Plainfield Renewable Energy (PRE) is a biomass gasification plant built pursuant to a long-term power purchase contract (PPA) with Eversource Energy awarded through the State's Project 150 program, Round 2. The plant became operational in December, 2013 and was purchased by Greenleaf Power in the summer of 2015.

PRE's PPA with Eversource Energy contains language limiting the amount of sustainable biomass wood that can be used by PRE each year, which is referred to as the "sustainable biomass cap." The purpose of the cap was to ensure that there was enough sustainable biomass available to power the THREE biomass plants awarded contracts under Project 150, Round 2 (Docket 07-04-27). At the time, PRE was the only plant of the three that could use processed, recovered waste wood ("C&D") from the waste stream as well as sustainable biomass for fuel. To ensure enough sustainable biomass was available for the two other contemplated plants, PRE's use of sustainable biomass was capped. However, the PPA further contemplated that the cap could be adjusted or eliminated if the other two biomass plants awarded contracts from Round 2 never came to fruition. That is the case as the other biomass plants were not built and their PPA's have been officially cancelled by PURA.

In its first year of operations in 2014, PRE found that the supply of compliant C&D wood available within a 100-miles radius of the plant could not consistently meet the strict fuel quality requirements approved by DEEP to supply the plant. As a relatively new facility, the plant went through a period of powering up and down in its early years. Those early interruptions of operations caused corresponding interruptions to the budding C&D wood processing market. As a result, PRE filed with PURA to remove the sustainable biomass cap in 2014, but ultimately worked with DEEP to enact a Trial Period proposal, which removed the sustainable biomass cap for 18 months to give time for the C&D market to develop. The Trial Period expires on April 3, 2016, at which time the cap will once again take effect.

HB 5469 attempts to remove the sustainable biomass cap requirement from PRE's PPA with Eversource, thus allowing the facility to use as much sustainable biomass as is needed to operate reliably at full output while it works with the C&D processing market to develop and approve new suppliers in the marketplace.

It is important to note that the sustainable biomass cap is unnecessary:

- The circumstances underlying the original intent of the provision – namely the competition between three biomass facilities in Connecticut for fuel – never came to fruition. Ultimately, only PRE was built.
- There is already a significant economic incentive for PRE to help develop the C&D market. C&D is about half the cost of sustainable biomass and contains about half of the moisture of sustainable biomass, meaning that C&D is a cheaper, more efficient fuel. Since acquisition, Greenleaf has worked diligently to expand the supply of wood from the C&D market place.

Finally, some may wish to see PRE's fuel quality protocols relaxed in order to incentivize new processors of C&D come to market. *PRE is not seeking to lower the fuel quality standards for recovered C&D wood.* DEEP's approved standards for C&D are in line with the Environmental Protection Agency's standards for this material and are written to ensure that PRE's environmental benefits to the State stay intact. It is important that suppliers of C&D wood build the capability to meet the DEEP standard.

Thank you for allowing me the opportunity to testify before you today. I am happy to take any questions from the Committee.