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WEB EXCLUSIVE

Intrinerger to expand wood pellet, CHP projects

Intrinerger LLC, a United States-based builder, owner and operator of renewable energy facilities, has announced that due to increased demand its German subsidiary is doubling its wood pellet production capacity. Meanwhile, the company has several projects underway in the United States to provide energy for industrial companies through its combined heat and power facilities.

Intrinerger Chief Executive Officer John Keppler told Biomass Magazine that the Straubing, Germany, facility currently produces between 50,000 and 60,000 metric tons of wood pellets annually. The expansion project is expected to be completed during the first quarter of 2009, effectively doubling its production capabilities. The plant is fed by waste wood from local sawmills and other forestry residues. Keppler said bark, mulch and other traditional woody biomass are used for the facility's biomass heating system, while the wood pellets are manufactured from a combination of wood chips, sawdust and other forestry residue.

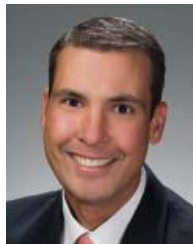
Demand for wood pellets continues to grow in Europe but Keppler admits that the United States has not had the same experience. He attributes the difference to a much larger industrial demand in Europe combined with greater usage of wood pellet-fired furnaces by residential and commercial customers. "In the United States you have a nascent wood pellet industry but given that so much of the United States is served by natural gas and natural gas heating to the home, we have not seen the same adoption here," Keppler said. Most of the wood pellets produced in the United States are exported overseas.

Rather than wood pellet production, Intrinerger's U.S. projects consist of energy generation for industrial customers, which Kep-

pler said continues to see growth. The company currently operates a renewable energy facility for a paper mill's operations in Mississippi which generates 50,000 pounds of steam per hour and between three megawatts and five megawatts of electricity per hour.

Keppler said plans for similar plants are underway in Connecticut, South Carolina, Delaware, Pennsylvania, West Virginia and Michigan. While woody biomass "makes sense" in many parts of the country, Keppler said the company's process is not beholden to that feedstock and could use other field residues and corn stover. "It really is about the radius between our facility and the logistical structure put in place to manage biomass supply," he added.

Prices range drastically for Intrinerger's facilities. Depending on size, the total cost runs anywhere from \$5 million to \$50 million, according to Keppler. The company has been "very fortunate" in acquiring project financing and attributes it in part to the realization by companies that while the environment for growth is currently difficult, business-wise, there is an equally pressing need for better energy usage and environmental practices, he said. "Those problems don't go away, regardless of what the economic conditions are," Keppler said. "So what you see is real leadership in industrial customers to try and do better than in the past and renewable energy is one of the key ways." Intrinerger's projects receive financing "not just because they're renewable and green but because they're a good deal and renewable and green," He added.



Keppler

-By Kris Beville

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