



# Biobased Product Procurement in the Midwest

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**Ames, IA**  
**November 5, 2007**





## What I'll cover

- **Background on the North Central Bioeconomy Consortium and the Great Plains Institute**
- **History of regional proposals for biobased product procurement**
- **Current state initiatives**
- **Potential for a regional system?**





# Great Plains Institute

- **Formed in 1997**
- **Bring together diverse leaders to solve critical development issues**
- **Current focus:**
  - Energy security based on a renewable and carbon-neutral energy system
- **Funded by foundations, stakeholders, individuals and government**

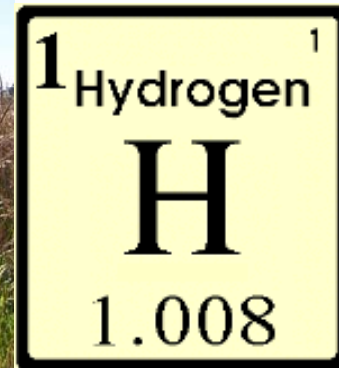


**The region we serve**

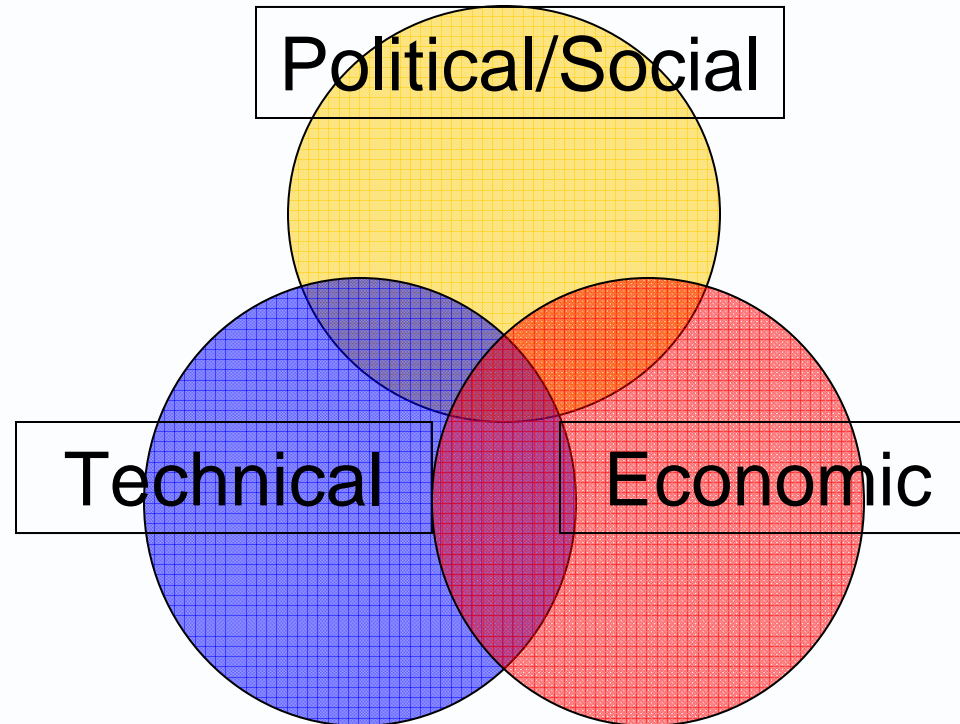
**We are a 501 (c) 3 nonprofit based in Minneapolis but incorporated in 5 states.**



# No “silver bullet” solution



# Test for Feasibility of Climate/Energy Solutions





**We bring together  
“odd bedfellows”...**

- **Energy and technology executives**
- **Farmers**
- **Elected and government officials**
- **Environmental advocates**
- **University researchers and officials**



**GPI and PTP-led  
U.S. and Canadian delegation to Europe, 2003**





# GPI Convenes Over 100 Stakeholders from 11 States/Provinces

## Powering the Plains

- Flagship regional energy policy project for the Dakotas, Iowa, Manitoba, Minnesota and Wisconsin

## Upper Midwest Hydrogen Initiative

- Public-private industry and research consortium

## Coal Gasification Work Group

- Coal and utility industry executives, state regulators, and NGOs from eight Midwest and Western states

## Biomass Working Group

- Regional Stakeholder group promoting state and regional policies to commercialize advanced bioenergy feedstocks and conversion technologies

## M-RETS Technical Review Committee

- Committee of utilities regulators, utilities and environmental organizations designing and developing the Midwest Renewable Energy Tracking System



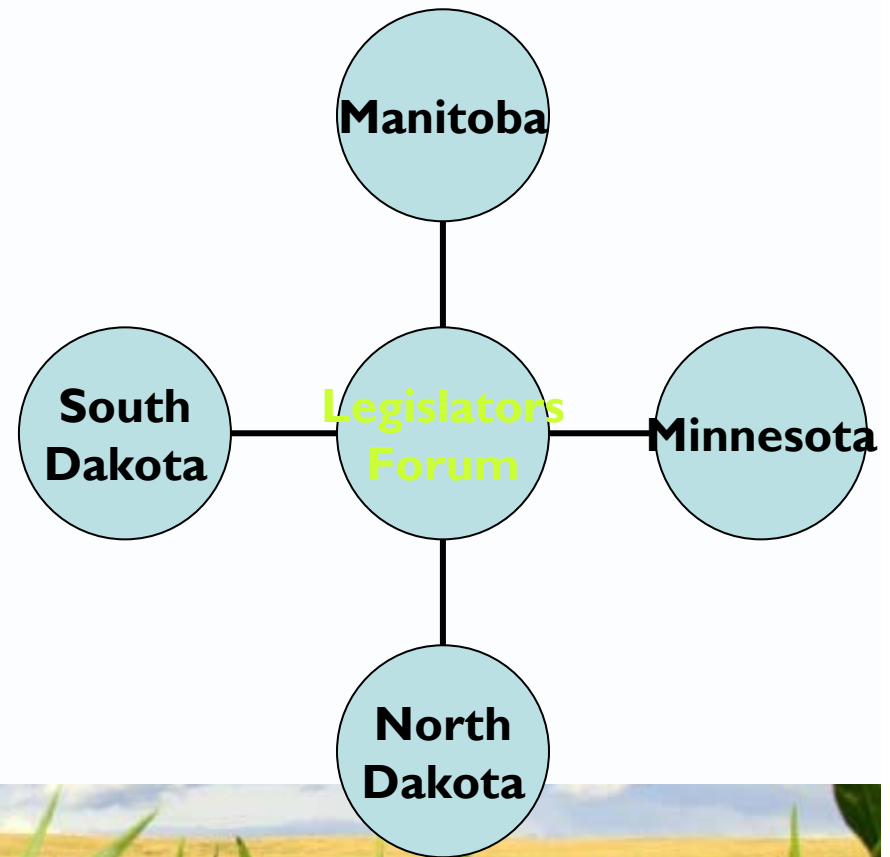


# Why did we start an energy roadmap?

**Bi-partisan coalition of 32 legislative leaders who meet once/year to develop policy consensus on key regional issues asked us to**



**PTP has presented to legislators for past four years**





## Legislators Forum delegates called for regional energy transition that:

- **“Relies on clean energy production and carbon sequestration”**
- **Maximizes Upper Midwest’s comparative advantages.**



**Legislators Forum in Winnipeg  
Paddleboat on the Red River**





# Region's Strengths

1. Renewable wind, biomass & hydro
2. Hydrogen from renewables & coal
3. Coal gasification
4. Carbon sequestration underground and in soils, wetlands, and woodlands
5. Selling renewable and carbon credits





## Resolution asked PTP to . . .

1. **“Prepare preliminary scenarios, goals and measurable targets outlining a potential regional energy transition;**
2. **Identify legislative measures and institutional arrangements needed to implement such a transition roadmap inter-jurisdictionally over time.”**

**Draft Roadmap presented  
to Legislators in May 2006**





## From the Powering the Plains Roadmap:

- **Milestone: “By 2015, the region has established an efficient biobased product procurement systems for state governments.**





# PTP Roadmap cont...

- **Recommendation:**

- Adopt biobased product procurement rules at the state level, which may mean simply adopting the federal rules.
- Creating a regional product list and consistent set of rules to encourage regional collaboration
- Expand the program further by creating a regional biobased product certification program and promoting through incentives, education.





# Current progress:

- **Illinois HB 0634**
  - Modify's Illinois Procurement Code:
    - Preference may be given to contractors using biobased products, provide cost is no more than 5% greater.
    - Biobased product defined as in the federal BioPreferred program.
    - Effective January 1, 2008





## Current progress cont...

- **North Dakota HB 1483**
  - Encourages Office of Management and Budget, institutions of higher education, and other institutions to purchase biobased.
  - OMB and State Board of Higher Ed. Will develop the guidelines.
  - Effective July 1, 2008





# Another recommendation from the roadmap:





# North Central Bio-Economy Consortium (NCBEC)

## Mission:

To identify and jointly act upon opportunities to ensure our region's move toward greater energy independence, utilization of biomass feedstocks and development of robust bio-economies.

- Land Grant Experiment Stations
- Cooperative Extension
- State Depts of Ag.
- IN, IL, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI

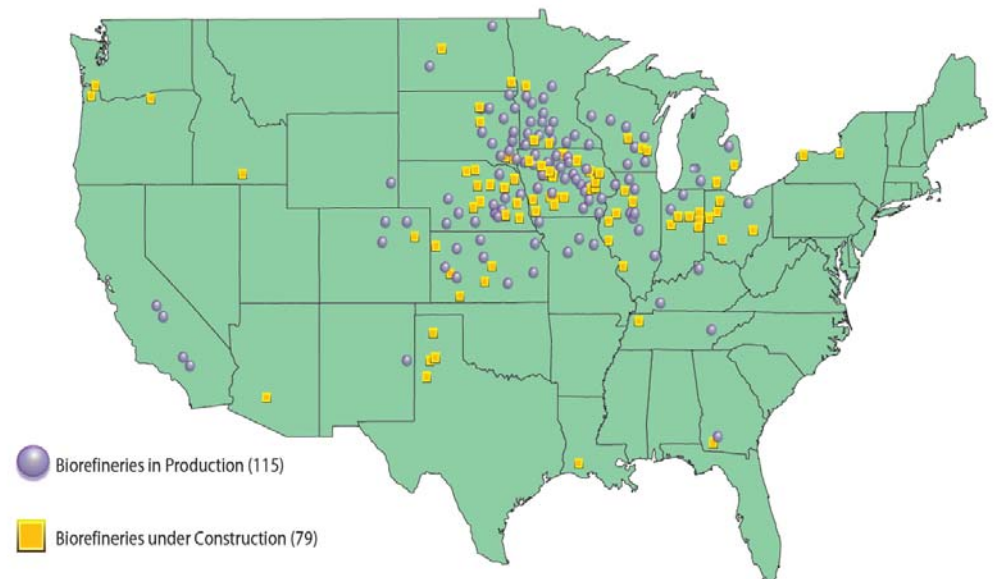




# North Central Region is the “Biobelt”

- 112 out of 115 current ethanol biorefineries
- 64 out of 79 ethanol biorefineries currently under construction

## U.S. Ethanol Biorefinery Locations

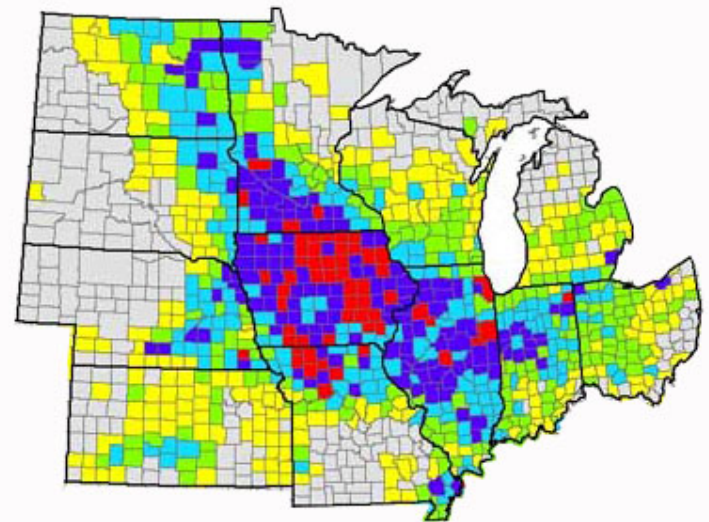
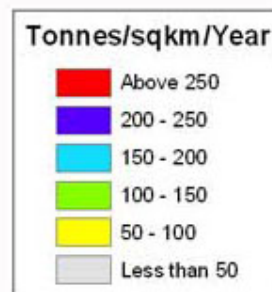


Source: Renewable Fuels Association  
4.3.07



# Cellulosic “Biobelt” as well

- 50% of cellulosic biomass
- 70% of perennial grasses



## Sources:

Walsh, M.E., R.L. Perlack, A.T. Turhollow, D. de la Torre Ugarte, D.A. Becker, R.L. Graham, S.E. Slinsky, D.E Ray. 1999 Biomass Feedstock Availability in the United States: 1999 State Level Analysis.

Milbrandt, Anelia, 2005: "A Geographic Perspective on the Current Biomass Resource Availability in the United States", National Renewable Energy Laboratory, Golden, CO.





# Future of a regional Procurement Policy

- **NCBEC wants to play a role in developing a regional system**
- **Midwestern Governors Association Energy Summit – stakeholder group recommended the creation of a regional biobased product procurement system**





## Summary...

- **BioPreferred is low hanging fruit, and will make a big difference**
- **Land Grants can play a big role in helping develop new products, and ideal policies for helping them along**
- **A regionally consistent program will help everyone.**





# Thank you!

- [www.poweringtheplains.org](http://www.poweringtheplains.org)
- [www.THEbioeconomy.org](http://www.THEbioeconomy.org)
- [www.gpisd.net](http://www.gpisd.net)

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