

Press Release

Contact: Jim Walls, Lake County Resources Initiative FOR
Web information: IMMEDIATE
<http://www.orsolutions.org/central/lakeviewbiomass.htm> RELEASE
January 5,
2006

Phone: (541) 947-5461

Working Together to Create Jobs, Restore Our Forests, and Provide Opportunities for the Future

Governor Kulongoski, Hal Salwasser, Dean of Forestry, OSU and JR Stewart, Lake County Commissioner announce the signing of the Declaration of Cooperation for the Lakeview Biomass Project, Thursday, January 12th, 5:00 – 7:00 PM, Lakeview Elks Lodge, Lakeview, OR

The Lakeview Biomass Project is an Oregon Solutions project sponsored by Lake County Resources Initiative (LCRI). The mission of LCRI is to demonstrate a sustainable approach to natural resources to ensure quality of life for present and future generations. The Lakeview Biomass Project is a community-based, multi-stakeholder effort to develop an economically-viable, ecologically-sustainable biomass power facility as a key part of an integrated solution to a multi-faceted forest health problem. The biomass energy facility (approximately 15 megawatts in size) would be adjacent to the Fremont Sawmill in Lakeview, Oregon. The sawmill is located in the center of the 492,642 acre Lakeview Stewardship Unit on the Fremont National Forest. Significant environmental, economic and community benefits are envisioned as byproducts of being able to develop the power plant.

In January 2005, Governor Theodore Kulongoski designated the Lakeview Biomass Project an Oregon Solutions project to help ensure successful implementation. The Governor's designation brought assured participation of his staff and appropriate state agencies with other partners through the designation of this effort as an Oregon Solutions project.

The establishment of an Oregon Solutions Team for the Lakeview Biomass project :

- makes efficient use of available resources,
- works to accelerate the pace of the project,
- addresses potential impediments early on, raising awareness of the project on a statewide level and
- brings effective partners to the table.

In this fashion the Project Team committed resources and time to develop and implement an integrated action plan focused on making the Lakeview Biomass Project a reality.

The product of the Lakeview Biomass Project collaboration is an Oregon Solutions Declaration of Cooperation signed by all of the partners including state and federal agencies, local government, businesses and non-profits. Governor Kulongoski designated this effort an Oregon Solutions project and appointed Hal Salwasser, Dean of Forestry, Oregon State University and JR Stewart, Lake County Commissioner as co-conveners of the Project Team. The project team used the Governor's Community Governance System to develop a Declaration of Cooperation that identified each partner's commitment to assure the project's success (funding, resources, in-kind, permitting, other agency actions necessary, etc), and an implementation plan.

The Lakeview Biomass Declaration of Cooperation includes implementation plans, guideposts, and benchmarks for achieving the following actions necessary to project viability:

- ✓ Secure a predictable, economically and ecologically sustainable supply of biomass;
- ✓ Agree on expedited permitting processes, as appropriate, to avoid project delays;
- ✓ Support increased valuation of biomass within energy incentives; maximize utilization of existing financial incentives;
- ✓ Designation of the Lakeview biomass project as a pilot project under various initiatives;
- ✓ Engage in a transparent process that encourages active public/community participation;
- ✓ Ensure a viable energy project by addressing key issues including: power purchase agreement, thermal demand, secondary products, and cost-effective interconnection;
- ✓ Create conditions necessary to make this an attractive investment to secure construction and operation for at least twenty years;
- ✓ Support the development and utilization of ecologically-friendly extraction techniques
- ✓ Create a replicable template for similar future projects;
- ✓ Integrate into implementation of the Governor's Renewable Energy Action Plan goals;
- ✓ Identify partners and investors to develop "intermediate" small diameter processing capacity, to derive maximum value and to assist in paying for the transport of biomass material from the woods to the biomass power site.

Signatory organizations include the Governor's Office, the Fremont-Winema National Forest, BLM Lakeview District, Collins Companies, DG Energy Solutions LLC., The Wilderness Society, Oregon Natural Resources Council, Defenders of Wildlife, Oregon State University, Lake County, the Oregon Department of Energy, Oregon Department of Forestry, The Energy Trust of Oregon, and several other state agencies, community groups, and non-profits.