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Landmark agreement will bolster forest restoration

By Peter Aleshire Special to the Independent
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An agreement that will keep Arizona's only biomass burning power plant alive could also save forested communities in northeastern Arizona from the growing plague of wildfires.

Salt River Project this week announced it has signed an 11-year agreement with Novo BioPower to buy electricity generated by burning the biomass wood scrap from forest-thinning projects.

Arizona Public Service signed a similar contract with Novo BioPower a month ago, said Brad Worsley, CEO and president of Novo BioPower. As a result, the Snowflake plant can continue to operate until at least 2033.

The agreement will provide a market for the millions of tons of saplings, brush and wood scraps generated by thinning projects in northeastern Arizona.

The lack of a market for biomass has proved the single biggest problem for loggers bidding on forest-thinning projects.

It doesn't solve the large problem of jump-starting massive thinning efforts like the 4-Forests Restoration Project, which once hoped to thin at least 50,000 acres annually as it worked its way through about 4 million acres of dangerously overgrown forests. The Novo BioPower plant can burn enough biomass to support the thinning of about 15,000 acres annually.

The SRP agreement ensures the Snowflake biomass-burning power plant can take the biomass from forest-thinning projects on the East Clear Creek watershed and White Mountain Apache lands. SRP has agreed to buy enough power from the plant to support 80,000 acres worth of thinnir

projects over the next decade – while generating renewable power for more than 3,000 SRP customers.

The watersheds involved supply crucial SRP reservoirs, including the watershed of the CC Cragin and Roosevelt lakes. CC Cragin alone provides about 12,000 acre-feet of water a year to SRP and 3,000 acre-feet to Payson.

The contracts will prevent Novo BioPower from going out of business for lack of the kind of long-term contracts necessary to keep the plant going.

Numerous studies show that forest-thinning projects that reduce densities from about 1,000 trees per acre to about 100 trees per acre remain the only way to reduce the odds a megafire will eventually swallow up forested communities in northern Arizona.

“Each year, hundreds of thousands of acres of forested lands across Arizona remain at high risk of catastrophic wildfire,” said Elvy Barton, SRP forest health management principal. “To decrease the risks of forest wildfires, partnerships like this enable thinning projects to be conducted across the SRP watersheds, restoring forests and watersheds to more natural conditions and avoiding wildfires devastating impacts on the natural ecosystem, rural communities and the Valley’s water supply. These partnerships are critical for the success of forest-thinning projects throughout the state. In addition to forest health, this project will provide a reliable source of baseload renewable energy to SRP customers.”

Worsley has been lobbying for an extension of the contract for several years, ever since the Arizona Corporation Commission voted to drop a rule that required APS to generate a certain amount of power from renewable sources. At the time, that included biomass, which provided the contract that led to the construction of the Snowflake biomass-burning plant.

Novo BioPower was in danger of closing when those contracts ran out, mostly because burning biomass is now a little more expensive than generating power from solar or wind energy. However, that price comparison doesn’t include the enormous benefit to watersheds and wildfire mitigation offered by burning biomass.

SRP continues to work with the US Forest Service to support thinning projects on the watersheds that supply its Valley customers with water, including the 64,000-acre CC Cragin watershed.

The agreements will also bolster Navajo County's economy, which has nurtured a shoestring timber and forest restoration industry.

"Fire and water are the largest natural resource issues that face Arizona in the coming century. We are grateful that SRP has agreed that the impact of our biomass facility on the forest, watershed, air and economy is worth the continuation of our facility," Worsley said. "Novo Biopower is committed to continuing this great work to combat the generational challenges that Arizonans face in our forests and watersheds."

Novo BioPower currently directly and indirectly supports more than 650 jobs and 15 different forest-product industries operating in Arizona. Research also shows that forest-thinning projects support as many as 39.7 direct and indirect jobs per $1 million invested, which is in alignment with SRP's investment with Novo BioPower.

Among SRP's sustainability goals are a pledge to help thin 500,000 acres on the SRP watersheds by 2035 and an expanded pledge to add 2,025 megawatts of new utility-scale solar energy to SRP's renewable portfolio by 2025.

"The Novo BioPower plant can support a forest-product industry that is thinning 15,000 to 20,000 acres per year," said Leslie Meyers, SRP chief water executive and associate general manager of water resources. "In order to make consequential progress in protecting Arizona's forests and watersheds from another catastrophic wildfire, thinning must increase to 40,000 to 50,000 acres of forested land per year. New or expanded forest product industry is essential to reach the increased acreage goals."

The contracts with SRP and APS remove a cloud that has been hovering over forest-restoration efforts for years by assuring at least another decade of operation of the biomass-burning plant.

The recent infrastructure and stimulus bills included millions to help jump-start the long-stalled 4FRI project. The Forest Service has awarded ambitious contracts to a succession of logging companies, but each one has floundered on the cost of getting rid of the biomass. The wood scraps have little commercial value to loggers but will only increase the fire danger if they're left behind on the forest floor.

The increased federal money hasn't yet greatly accelerated the pace of forest thinning, howe partly due to the intractable biomass problem.

The ACC has repeatedly refused to issue a new rule requiring APS to burn more biomass. If the commission did issue such a rule APS could include the cost of building additional biomass-burning facilities in its rate structure. This would result in a small increase in electrical bills but would protect billions of dollars in powerline infrastructure, protect watersheds in the face of the growing drought, reduce firefighting costs and reduce the odds of a town-destroying wildfire.

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