

The Galena Sustainable Energy Project It's about the future.

Public Meeting

March 7 (Thursday) at 7pm

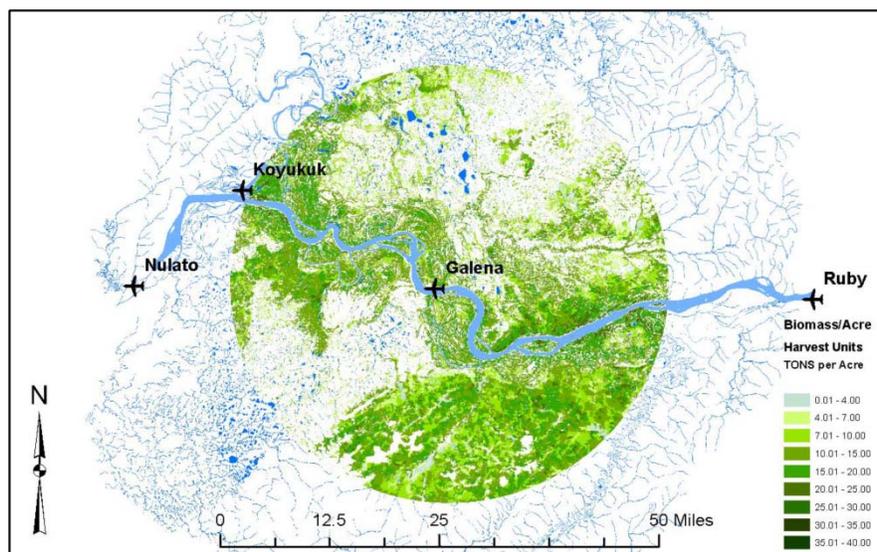
At

SHS Charles Evans Library

The Galena City Council, the Galena City School Board, and the Louden Board of Directors will meet to consider formalizing a corporation and contracts to start harvesting wood for a district heating plant to take over from the existing diesel fueled boiler plant on the old Air Force Base.

Gana-A'Yoo CEO Betty Huntington has been invited to attend and participate as the owner's representative for most of the local forest resources. Gana-A'Yoo Limited has contracted with Clare Doig of Forest and Land Management, and with Louden Tribal Council to develop a harvest plan for the project.

The purpose of this meeting is to present information about the project and to take public comments about the plans. Nothing has been decided, and everything is subject to change. Each of the various boards and councils will need to formally adopt plans for the project before it can proceed.



The Harvest Plan

The City, the School, and Louden will form a corporation to harvest trees. In the beginning, the trees will be purchased from Gana-A'Yoo and will be sold to the City for operating the new boiler plant. The harvest plan will be available for discussion at the meeting, including maps of the harvest areas for the first few years. Approximately 3000 tons of trees will be harvested per year. That equals about 100 to 150 acres per year. The corporation will use equipment, personnel, and money from each of the partners, but will probably borrow most of the money to begin operation.

The Boiler System

In the beginning, most or all of the wood will be used to fire a new wood chip boiler that will replace the big diesel boilers at the GILA heating plant. We hope and expect that the state will fund most of the cost of the boiler plant through the Alaska Energy Authority. The construction design phase of the project (\$317,000) appears likely to be authorized by the legislature and the governor this year. An additional \$2.5 million will be required for the construction phase, probably in 2014.

The Background Work

Development for this project has been going on for several years. Most recently, a small committee has been meeting every week to coordinate work on this project. The committee includes:

Chris Reitan, Galena City School Superintendent,
Greg Moyer, Galena City Manager,
March Runner, Louden Tribal Council Administrator,
Phil Koontz, LTC Environmental Technician, and
Jon Korta, Galena City Council

We have gathered studies, reports, and recommendations from various professionals including—

Assessment of Woody Biomass Energy Resources: Galena, Alaska: by Will Putman, TCC Forestry Program, November 2012.

Mr. Putman used existing forest data to estimate the cost and availability of biomass within 25 miles from Galena.

Galena Forest Inventory and Management Plan Report, by Ken Stumpf, Professional Forester, of Geographic Resource Solutions, was commissioned by Loudon Tribal Council, and presented in January, 2013.

Mr. Stumpf used both existing data and intensive local sampling to provide a more detailed estimate of the forest resources around Galena. He estimated that the forest resource can support at least 20,000 tons per year, based on a 100 year rotation schedule.

Feasibility Study-- Heating with Wood at the Galena Base Steam Plant, by Dalson Energy Inc. was prepared in August, 2012, also commissioned by Loudon Tribal Council.

This report indicates that a wood fired boiler can effectively replace nearly all of the heat supplied by the existing boiler plant, and provides estimates of the cost of the plant, the fuel requirements, and the type of equipment that might be used in the project.

Where to go from here?

1. Figure out what we want to do. This wood energy project has the potential to reduce diesel fuel consumption in Galena by about 230,000 gallons per year, starting in about 2015 or 2016. It will require that we make some long term commitments for harvesting wood and operating the system.
2. Form the business entity, make the agreements, and start harvesting trees. The trees should be allowed to dry for at least a year before they go to the chipper.
3. Build the plant, operate it, and consider more wood energy projects for the future.