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Double A Willow signs contract to sell shrub willow energy crop cuttings

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Commercial nursery grower Double A Willow has announced a contract to sell New York state-grown shrub willow energy crop cuttings to Catalyst Renewables LLC, operators of Lyonsdale Biomass, a 19-megawatt wood powered renewable electricity and thermal energy generating plant in Lyons Falls.

Catalyst jointly owns the plant with Central Hudson Corporation.

“This is an exciting opportunity for Double A to grow and be part of the pioneering woody biomass renewable energy development effort that is taking place throughout New York State and the country,” said Dennis Rak, who owns and operates the Fredonia-based Double A Willow with his wife, Sue.

On April 19, 2006, New York State Energy Research and Development Authority announced Catalyst’s Lyonsdale operation had been selected again as one of the 21 renewable electric generating facilities in New York to provide clean, renewable energy to New York consumers in the second competitive auction under the New York State Renewable Portfolio Standard.

Researchers including the National Renewable Energy Laboratory, USDOE’s Argonne Laboratory and SUNY College of Environmental Science and Forestry (SUNY-ESF) report woody biomass-fueled power plants such as Lyonsdale Biomass can only release CO₂ the woody biomass feedstock sequestered while growing. Scientists also point out that released pure CO₂ is quickly consumed by the already growing next harvest’s cycle of forest and farm woody biomass. The research strongly suggests such an approach substantially reduces greenhouse gas potential in the atmosphere when compared to not using woody biomass as power plant fuel and woody biomass offers a much cleaner and more environmentally benign alternative to all coal-fired plants.

“Double A Willow, Catalyst Renewables and the shrub willow program are poised on the threshold of a tremendous expansion that will put marginal and abandoned farmland into use for the production of a new source of renewable energy,” said Dr. Larry Smart, associate professor at SUNY-ESF in Syracuse and leader of the willow breeding program. USDA and New York State Department of Agriculture and Markets (NYS AG & Markets) statistics indicate there are more than 1,200,000-acres of underutilized, poorly drained or abandoned farmland in New York State alone. There is a significant congressional effort now advancing to plant thousands more acres on this ground.

The contract between Double A Willow and Catalyst Renewables marks the expansion of last year’s inaugural deployment of Catalyst’s commercial dedicated energy crop plantation in Lewis County. The short rotation shrub willow energy crop has been

undergoing test, demonstration and field trials at SUNY-ESF for more than two decades. Much of the SUNY-ESF's willow research has been funded through \$4.2 million of appropriations obtained by Congressman James T. Walsh (NY-25th) beginning in 1995. The Double A commercial willow nursery is the result of a cooperative effort between Double A, SUNY-ESF and NYSERDA, who helped fund the project and leveraged Congressman Walsh's support.

In 2005, Double A Willow became the first commercial nursery licensed by the Research Foundation of State University of New York, which enabled it to grow and market these varieties of shrub willows in the United States. The decision was based on Rak's 20 years of experience in successfully producing and selling high quality grapevines to homeowners, box stores, and vineyard owners throughout the United States. SUNY-ESF aims to continue to assist Double A Willow with willow nursery expansion operations and consult with Catalyst Renewables as they expand their commercial willow plantation.

The patented SUNY-ESF willow varieties being sold to Catalyst Renewables were developed to require only limited maintenance. They are able to be grown on marginal soil and can harvest every three years without replanting over the course of at least 20 years. Researchers report some commercial Scandinavian willow varieties will be soon entering their third decade of commercial harvest for the manufacture of CO₂-neutral renewable energy.

NYSERDA, New York State's key energy research, development, and commercial application agency has a long and effective willow biomass development relationship with SUNY-ESF. As part of the Double A project, NYSERDA helped fund construction and commissioning of a freezer storage facility capable of holding 10 million shrub willow feedstock cuttings for market supply management purposes. Catalyst is Double A's first commercial customer.

"Today's announcement highlights a successful partnership between SUNY-ESF and Double A Willow to replace fossil fuel electric generation with a renewable source," said Peter R. Smith, President and CEO of NYSERDA. "With \$290,000 in incentives provided by NYSERDA, Double A Willow has the necessary equipment to store cuttings and maintain a high level of quality for future in-state or out of state use."

On Dec. 20, 2006, NYS Ag & Markets, along with NYSERDA, announced over \$23 million in research grants in support of two new cellulosic ethanol pilot plants. Matching a \$10,300,000 award with equal private sector dollars, Catalyst Renewables' is acting as project lead for one of the commercial demonstrations at Lyonsdale Biomass. Catalyst's "Biorefinery in New York" commercializes SUNY-ESF's significant research on manufacture of liquid transportation fuels including ethanol, commodity and specialty chemicals, and plastics from wood including the shrub willow energy crop.