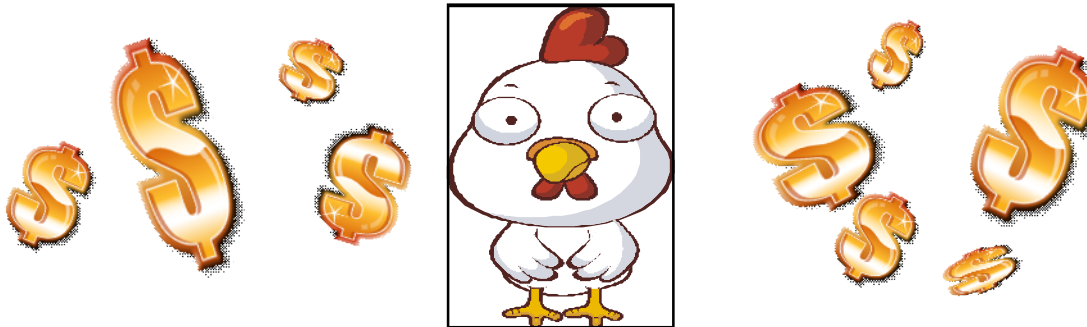


## **Fib-rowatt Facts** **It's time to tell the truth.**



***“The whole purpose of the bill is to find a clean alternative toward energy independence. It is not to find an equally unhealthy alternative.”***

— Seth Effron, spokesman for Governor Mike Easley. *Raleigh News & Observer*, August 22, 2007.  
Statement issued by Governor Easley after signing renewable energy legislation.

### **What Fibrowatt Wants:**

Fibrowatt has been active in North Carolina since their first visit to the NC Senate Agriculture Committee in 1998. They have announced plans to build three poultry waste incinerators in North Carolina.

*July 2008 Fibrowatt Presentation to the Environmental Management Commission's Renewable Energy Committee*

Fibrowatt has announced plants in Sampson, Surry and Montgomery Counties.

### **What Is Fibrowatt:**

Fibrowatt wants to burn poultry manure and other waste materials to generate electricity. In its comments to the NC Utility Commission, Fibrowatt sought status as **“a solid waste facility” as defined under Part 1.103 of IRS Treasury Regulations in order to “utilize tax-exempt debt”**.

If permitted, Fibrowatt would operate three **waste-to-energy “solid waste facilities”**.

*NC Utilities Commission E-100 Sub 113 Fibrowatt Comments 1-23-09*

### **Renewable Energy Legislation in North Carolina:**

**The Fibrowatt Provision:** **“900,000 megawatt hours** of the total electric power sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, **by poultry waste----**” *Session Law 2007-397*

### **Economics:**

- Total number of permanent jobs claimed by Fibrowatt: **280**
- Actual estimate of *new* jobs at the three plants: **105**
- Incentives given to Fibrowatt by the three counties: **\$12,580,000**
- Public water and sewer for Fibrowatt: **\$12,292,425** (not including Sampson)
- Federal “stimulus” money sought by the town of Elkin: **\$953,200**

### **Poultry Litter:**

Fibrowatt means lost income to poultry growers and lost fertilizer to farmers. Fibrowatt's primary fuel is poultry litter, an alternative to expensive chemical fertilizer. Fibrowatt has offered ten year contracts to growers at \$2 to \$2.50 per ton; meanwhile the current market for litter ranges up to \$25 or more **over ten times the price offered by Fibrowatt**. Allowing Fibrowatt to buy poultry litter for fuel threatens to cost growers millions of dollars of income. Replacing the lost fertilizer with an equivalent conventional fertilizer would cost North Carolina farmers tens of millions more.

(over)

### **Carbon Neutral? Not So Much:**

Poultry manure is not a carbon neutral fuel. Burning poultry manure destroys the nitrogen content of the manure and this resource becomes ozone pollution. If the 3 million tons of poultry litter generated each year were burned to produce electric power, we estimate that it would take the equivalent of 1.2 million barrels of diesel fuel per year to replace this organic fertilizer with chemical fertilizer.

<http://www.bredl.org/pdf2/ElectricPowerfromPoultryWasteNotGreen070720.pdf>

### **The Company:**

- Fibrowatt Ltd operated three poultry litter-fueled plants in the UK that were sold to Energy Power Resources in 2002. <http://www.eprl.co.uk/index.html>
  - In 2003, Rupert Fraser co-founded Homeland Renewable Energy and acquired 70% of Fibrowatt LLC from the UK parent. Fibrowatt LLC does not own or operate any plants in the UK. They are 100% owned and operated by EPR.
  - Fibrowatt constructed its first US plant, Fibrominn, in Benson, MN, a 55 MW incinerator that was permitted in 2001 but did not operate until September 2007.
  - In 2004 The Herrick Company, a Florida real estate firm, arranged a purchase and leaseback of the Fibrominn plant, before it was constructed. <http://www.theherrickcompany.com/DisplayProperty.aspx?ft=nre&Prop=106>
  - Contour Global a New York City investment group acquired Fibrominn, now called "Powerminn", in August 2006. <http://www.contourglobal.com/powerminn.html>
- Fibrowatt LLC does not own any plants in the United States.**
- Majority ownership of Contour Global currently resides in a New York City hedge fund, the Reservoir Capital Group. <http://www.reservoircap.com/index.html>

### **Emissions, Permits, and Regulations:**

- Analysis by the NC Division of Air Quality (DAQ) confirms that emissions of several pollutants would be higher than an equivalent new coal-fired power plant. Carbon monoxide, particulate matter, nitrogen oxide, and carbon dioxide were all significantly higher. Preliminary modeling by DAQ for air toxics shows arsenic emissions would be 277% of North Carolina's health-based limits.
- In September of 2008 the Minnesota plant failed its emissions test. The EPA classified the failure as follows: **"The value of "Yes" indicates the facility is in SNC (Significant Non-Compliance) or HPV (High Priority Violator) for the permit or site in question and may pose a more severe level of environmental threat."** Information about this violation has been withheld from the public while the state of Minnesota pursues an enforcement action against Fibrowatt, the same company that wants to operate three plants in North Carolina just like the one in Minnesota.

## **North Carolina Needs Clean Renewable Energy That Protects People, the Economy and the Environment - Not Dirty Unhealthy Energy!**

*In Surry County call 336-366-2980 for more information.*

*In Sampson County see: [www.cseofeasternnc.org](http://www.cseofeasternnc.org)*

**BLUE RIDGE ENVIRONMENTAL DEFENSE LEAGUE**

**[www.bredl.org](http://www.bredl.org)**