NEWS RELEASE

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MDA announces bioenergy grant recipients

Nine projects receive funding for biofuels development

ST. PAUL, Minn. – Renewable energy innovation in Minnesota is getting fueled by $2.4 million in grants from the Minnesota Department of Agriculture (MDA). Based on recommendations from the Next Generation Energy Board, MDA has awarded funding to nine renewable energy projects to help stimulate development of biofuels.

Minnesota Agriculture Commissioner Dave Frederickson, who serves as the Next Gen Board Chair, says the grants provide a boost to companies that are trying to move new biofuels technologies from the development stage to commercial production.

"These grants support the innovation, research and development in which companies are investing to help us get a step closer to the production of new biofuels," Frederickson said. "There are some interesting developments on the horizon for biofuels and I'm really intrigued by these projects."

A technical committee comprised of staff from the Minnesota Departments of Agriculture, Commerce, Employment and Economic Development, Natural Resources and the Pollution Control Agency reviewed a total of 18 projects. After ranking the projects, nine were selected. They include:

Koda Energy LLC, Shakopee - $480,000

Koda Energy plans to construct a biofuels staging and processing facility in Scott County. The plant will aggregate and process various biomass fuel stocks, such as urban wood waste from the city of Minneapolis, for use in Koda's existing combined heat and power generating facility that is also located in Scott County.

West Central Renewable Ammonia Development, Bloomington - $450,000

The company plans a second-stage feasibility study on a proposed biomass-to-ammonia plant near Willmar, Minnesota. This project would convert 95,000 tons of biomass to 45,000 tons of anhydrous ammonia annually.

SarTec Corporation, Anoka - $400,000

SarTec invented the Mcgyan technology that is used by Ever Cat Fuels, a three million gallon capacity biodiesel production plant in Isanti, Minnesota. SarTec plans to design and construct a smaller scale, on-farm processing plant using the existing Mcgyan technology. The unit will be tested and operated by farmer-partners with the intent of having them either using the fuel on their farms, or selling it to blenders.

Al-Corn Clean Fuel, Claremont - $248,000

Al-Corn is researching the integration of second-generation biofuels production within their existing and/or an expanded ethanol plant. In partnership with JetE of St. Paul, the facility would produce on spec renewable jet and/or diesel fuel (made from a mix of crop oil and animal fats) in addition to corn ethanol. The results will provide a production roadmap that other ethanol producers will be able to use.

Renville Renewable Energy LLC, Olivia - $220,000

This company is moving to Phase 2 research in its development of an anaerobic digester project located adjacent to a poultry facility in Renville, Minnesota. The project proposes to enhance the digestion process by using multiple waste streams, both agricultural processing and production wastes, collected from the Renville area. The company will also research the feasibility of recovering liquid and solid crop nutrients from the byproduct streams.

Northern Excellence Seed LLC, Williams - $200,000

Northern Excellence is modifying the 150-KW biomass gasification unit already installed on the company's existing site. The award will help make this system operational using the company's seed screenings. Syngas from the gasifier will provide the energy to produce electric power that will be sold to the grid.

Central Lakes College Ag and Energy Center, Staples - $193,000

The grant will support the continuation of a previously funded project in which various oilseed crops, such as canola, camelina, or sunflowers, are being grown and converted to biodiesel using small-scale processing technology. Feed trials will be conducted using the meal products created from oil extraction.

Jer-Lindy Farms, Brooten - $137,000

An anaerobic digestion system has been operating on this dairy farm since 2008. The grant will help fund 1) new equipment that will enable more types of organic materials to be digested, resulting in a boost in gas production, and 2) an improved genset design. Improvements will also result in better quality post-digester solids that are used for cattle bedding.

Rural Advantage, Fairmont - $73,000

Rural Advantage is a non-profit organization that promotes the interconnections between agriculture, environment and community. The grant will help fund a Phase 1 feasibility study and business plan to assist Prairie Skies Biomass Co-op in developing operational procedures, membership policies and feedstock contracts for a 300 ton per day biomass conversion facility in Madelia, Minnesota. The facility would convert raw agricultural biomass to an advanced biofuel to be sold to offsite markets.

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