

FIFTH ANNUAL SOUTHERN BIOPRODUCTS CONFERENCE



MISSISSIPPI BIOMASS COUNCIL BIO BRIEF

The Fifth Annual Southern Bio-Products Conference will be held April 3-4, 2006 at the Golden Moon Hotel and Casino in Choctaw. This timely conference is focused on using biomass resources for generating renewable energy and biofuels and other higher value-added chemicals.

The conference agenda features speakers from the American Forest & Paper Association - Agenda 2020 Technology Alliance, the Clean Fuels Development Coalition and other nationally recognized organizations. Break-out sessions include presentations on Biofuels and Bioenergy, BioChemicals, Biomass Feedstocks and Bio-Products.

The Wrap Up Session will provide opportunities for participants to discuss new industry directions and opportunities with a panel of nationally recognized speakers.

The student poster competition is being held again this year and cash prizes will be awarded to the top three posters. A networking reception and luncheon are part of the two day conference.

Exhibitor and sponsor opportunities are currently available. Hotel rooms should be reserved by March 17th to obtain the special conference rate of \$65.00 per night. For more information, please visit the Mississippi Biomass Council's website at

<http://ms-biomass.org> or contact Biomass Council President Sumesh Arora at 601-960-3659 or sarora@technologyalliance.ms.

Inside this issue:

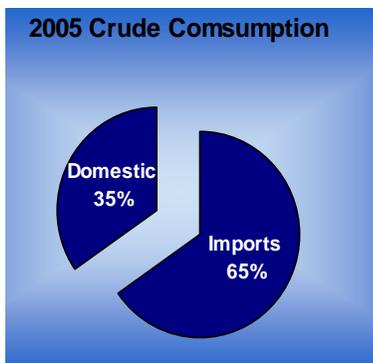
PRESIDENT'S MESSAGE	2
MISSISSIPPI BIOMASS COUNCIL ASSIST S THE HURRICANE KATRINA RELIEF EFFORT	3
OPENING OF THE FIRST MISSISSIPPI OUTLET FOR "BIO WILLIE" BRANDED BIODIESEL	4
MOBILIZING AGRICULTURAL AND FORESTRY ENERGY CHAMPIONS IN THE SOUTHEAST	5
SAVE THE DATE CARD	6

PRESIDENT'S MESSAGE



Sticker-shock would be the way to describe the current high gas prices at the pump or on the utility bills. Everyone seems to have an opinion of why we are paying “so much” for our energy, but the fact remains that the higher cost of energy is here to stay. A barrel of crude oil was only \$13 in 1998 and today it is almost five times as much! The price may go down some over the next few years, but projections for 2020 still call for about \$40 per barrel in today’s dollars.

While the world is not running out of oil or other fossil fuels anytime soon, the distribution of these reserves is highly disproportionate to its consumption. The United States is among the heaviest consumers of energy in the world, yet 65% of our crude oil is imported and a major portion of that comes from parts of the world that have highly volatile political conditions.



This fact has not been lost on U.S. policy makers and there is a reawakening about reducing our reliance on imported crude oil. President George W. Bush recently stated in his 2006 State of Union Address that we must end this “addiction” to foreign oil and technology is the way to do it.

Among these technologies are renewable biofuels and bioenergy and the President specifically mentioned the use of ethanol from cellulosic sources such as switchgrass. The current geo-political situation and the high cost of energy make the Mississippi

Biomass Council’s mission critical not only for state and regional economic development, but also in helping the national security of our country.

The Mississippi Biomass Council is dedicated to educating people in all walks of life about the importance of biomass feedstocks and the many products that can be derived from these feedstocks. We have been blessed with a lot of biomass in Mississippi and the southeastern region overall; and when I say biomass, I mean crops, trees, animals and wastes from all these sources. Wood biomass includes wood chips from forestry operations, residues from lumber, pulp/paper and furniture mills, and fuel wood for space heating. Then there is methane gas that can be captured from landfills and animal waste anaerobic digesters. A lot of us have now heard about ethanol and biodiesel which is typically made from corns and soybeans respectively. Novel feedstocks are continuously being developed to make these fuels cheaper and without relying on food crops.

Mississippi is quite an active hub of biomass activity. The universities in Mississippi are involved in cutting edge research for producing biofuels from feedstocks other than traditional ones such as corn and soybeans. Additionally, private sector pilot scale plants are working to demonstrate the process of making ethanol from wood shavings and other cellulosic materials. Biodiesel is now being commercially produced and sold at various retail locations around the state. Other examples of active bioenergy projects include biogas from animal manure, wood and corn-burning boilers and gasifiers to heat green houses and brick kilns.

I feel honored and privileged to be given the reins of the Mississippi Biomass Council at such an exciting turning point for the biomass-based industries in this country. Moving forward, the opportunities to exploit the potential of biomass resources are endless, yet they are not without challenges. High upfront cost in some cases and a lack of education about these technologies are among the major hurdles that need to be tackled head on. I sincerely hope that conferences

such as the 5th Annual Southern Bio-Products Conference hosted by the Council will help bring together human and financial resources to make biomass projects a reality in this region. I am looking forward to working with other officers and members of the Council who graciously volunteer their time and other resources to get the word out about biomass to the public. The Council has the potential to be the unified voice for the emerging biomass industry in Mississippi and representing its benefits, needs and interests at various levels. Perhaps the new message should be **“Biomass: We really are full of it...Just watch what we can do with it!”**

Given the importance of biomass to our state, Mississippi Technology Alliance launched the Strategic Biomass Initiative (SBI) in mid-2005 to foster viable commercial enterprises based on Mississippi’s natural biomass resources and further develop near-term technologies through university based applied research and development and private sector partnerships. This is an opportunity in Mississippi to *link agriculture and forestry to energy and other higher value chemicals*. With assistance from the United States Department of Energy, the Strategic Biomass Initiative is funding projects valued at nearly three million dollars. Contact Sumesh Arora, director of SBI, at 601-960-3659 or sarora@technologyalliance.ms for more information on grant opportunities.

Written By:

*Sumesh Arora, President
Mississippi Biomass Council*

MISSISSIPPI BIOMASS COUNCIL ASSISTS THE HURRICANE KATRINA RELIEF EFFORT

Hurricane Katrina battered the Mississippi Gulf Coast shattering the picturesque scenic beauty of coastal cities and a way of life that cannot be reclaimed. The worst natural disaster in U. S. history felt in its wake 200 dead as reported by FEMA, 1,200 people injured and 7,650 people ill as reported by the Centers for Disease Control. A 30-foot, tidal wave surge and 175 mile per hour winds resulted in forty seven of the 82 counties in Mississippi being declared a disaster. The physical devastation is only overshadowed by emotional trauma that may manifest for decades.

First responders such as policemen, firemen, and medical teams performed heroically during the disaster, followed by churches, the Red Cross, FEMA, MEMA, the Salvation Army, and many organizations that provided immediate assistance to meet the basic necessities of storm victims. Many groups from other states reached out to Mississippi to provide food, clothing and shelter. The Mississippi Biomass Council is happy to acknowledge the contribution of West Central Cooperative headquartered in Ralston, Iowa for the contribution of 15 thousand gallons of biodiesel toward the relief effort. West Central Cooperative's Soy Processing Division, is part of the farmer owned cooperative founded in 1933, committed to commercializing innovative processes and products. This commitment to innovation led West Central to production

of SoyPOWER biodiesel in 1996 with Iowa's first biodiesel manufacturing facility.

Biodiesel is a renewable fuel derived from natural oils like soybean oil, which can be used in existing diesel engines with little or no modification. However, in engines developed prior to 1993, the solvency of biodiesel, when used in 100 percent neat form, may cause deterioration of butyl rubber over a period of time. Blends of 20 percent or lower are recommended. The biodiesel contribution was a significant gesture; however, distributing it for relief in the agricultural community was a more complicated feat. West Central Cooperatives contacted the Federation of Southern Cooperatives in Atlanta, Georgia for assistance who in turn contacted the Mississippi Biomass Council to access its network of professionals to coordinate the effort.

Alcorn State University took the lead in planning the method for deployment and coordinated with the Electric Power Association of Mississippi and Southern Farm Bureau Federation for implementation. Power was restored to 90 percent of the urban area utility consumers served by investor-owned utilities within two weeks following the storm. Jackson, Harrison and Hancock counties are excluded from the estimation. Seventy percent of the rural consumers in that area remained without power. The Council

focused on assisting rural consumers in the agriculture community who were in desperate need for power to sustain agribusiness in the affected area.

One tanker of fuel was delivered to the Yazoo Valley EPA to service consumers in the territory that experienced power outages as part of the rural system. Biodiesel was distributed in a 100% neat form to users such as poultry and dairy producers who use diesel fuel in back-up generators. Southland Oil Company blended a portion of the fuel for users in the area who could not power equipment using the neat form of fuel. The neat fuel was offered to co-ops under the EPA who provided direct relief to machinery such as chippers, grinders or heavy equipment and trucks used for tree trimming in the relief effort.

Tanker two was directed to the East Mississippi Electric Power association in Meridian who subsequently coordinated with Earth Biofuels in Meridian who agreed to produce an 80/20 diesel to biodiesel blend and to sell the blended product at its service station in Byram, Mississippi. The blended fuel was sold at a 20% discount to show that there was no charge for the cost of biodiesel in the mixture.

Written by Wes Miller

OPENING OF THE FIRST MISSISSIPPI OUTLET FOR "BIO WILLIE" BRANDED BIODIESEL

Earth Biofuels, Inc. announces the grand opening of its first company owned truck stop in the Mississippi town located about 90 miles south of Memphis and 90 miles north of Jackson, MS. The opening represents the first "BioWillie" branded biodiesel product available in the area, and features the fuel as its exclusive diesel product. The company is one of the few producers of the popular alternative fuel in the state, with a plant in Meridian.

The opening of this truck stop marks the first in a series of events that the company is holding over the next few weeks. On April 2, the company plans to open a new 10 million gallon biodiesel plant in Durant OK, which includes a benefit concert with Willie Nelson. The next day marks the first major oil company bringing distribution infrastructure to the industry as Earth Biofuels officially opens its distribution center at a Shell Oil Company terminal in Dallas.

"This is an exciting time for the biodiesel industry, and even more exciting for Earth Biofuels as we lead the way. A new plant, a first ever distribution center at Shell, and the first Earth Biofuels truck stop right here in Grenada. It's great", stated Tommy Johnson, founder of Earth Biofuels and the director of business development.

A prominent member of the board of this Jackson-based company is popular Academy Award winning actor Morgan Freeman, a native of the area. "A great number of us in the entertainment industry feel strongly about the development of alternative fuels. I am happy to see our company moving forward by offering biodiesel in North Central Mississippi". In attendance will be another prominent member of the board, Clarkdale attorney Bill Lockett. "It's good to see our company is working hard to continue our development in Mississippi and elsewhere. I hope every trucker running on I-55 pulls in and tries our product."

Biodiesel is made from oil-seed crops such as soybean and canola. Biodiesel can also be produced from animal fats and recycled cooking greases. Little or no modifications to conventional engines are needed to utilize these fuels. Conventional diesel blended with biodiesel has increased lubricity. Biodiesel also decreases the emission of unburned hydrocarbons, carbon monoxide, and particulate matter. Biodiesel also replaces the exhaust odor of petroleum diesel with the smell of popcorn or French fries when used as a pure fuel.

Biofuels, such as biodiesel, provide a great opportunity to: 1) reduce the United States' dependence on foreign oil; 2) reduce the amount of pollution emitted into the atmosphere; and 3) revitalize the farm and rural economies.

MOBILIZING AGRICULTURAL AND FORESTRY ENERGY CHAMPIONS IN THE SOUTHEAST

Today there is growing awareness that the agricultural and forestry sectors are well positioned to play a major role in producing renewable forms of energy. As a result of escalating world oil prices, breakthroughs in technology and the adoption of enabling public policies, there is an emerging opportunity for America's farms, forests and ranches to produce critically needed energy fuels and feedstocks. Among other things, farmers, ranchers and forest landowners can produce transportation fuels; generate electricity by harnessing wind and capturing and converting biogas emissions; capture solar energy; and provide energy crops, crop residues and ag byproducts for generating heat and power.

These contributions would reduce U.S. dependence on fossil fuel, cut greenhouse gas emissions, increase farm income, strengthen rural economies and encourage more productive uses of marginal lands.

Recently, renewable energy advocates have been working to help the agricultural and forestry communities to come together to support the development and deployment of new energy solutions. At the national level, the Ag Energy Work Group has achieved considerable success in building consensus and support for the 25 x '25 strategic vision for ag/forestry energy production. At the regional level, the

Energy Foundation has facilitated the development of successful regional agricultural energy alliances including the Harvest Clean Energy Project in the Pacific Northwest; the Mid-West Agriculture Energy Network; and a Rocky Mountain project designed to unite renewable energy champions in the intermountain west.

Although these national and regional ag/forestry energy alliances have been very successful, there are several gaps which limit the overall effectiveness of ag sector renewable energy advocacy work. One example is the southeast

region of the United States- an area rich in agricultural and forestry energy feedstocks and leaders well positioned to influence national energy policy, but lacking a forum through which renewable energy champions can work collectively to accomplish common objectives.

As demonstrated in other arenas, it is very difficult to build strong and diverse alliances from the "outside in". With support from the Energy Foundation, the objective of this project is to foster the development of a southeast region agricultural/forestry energy coalition by constructing an alliance from the "inside out."

Two Mississippi natives are on the Southeast Ag/Forestry Energy Steering Committee. They are Bruce Brumfield of Inverness, MS and David Waide of Jackson, MS.

SAVE THE DATE

EPA Region 4 have released the details for the Kickoff Meeting for the Southeast Diesel Collaborative. This will be an excellent time to network with stakeholders from all over the southeast who have experience with diesel programs, especially projects involving bio-diesel. There will be presenters from state governments, agricultural agencies, universities, private industries and more. There will also be an exhibit area.

The meeting will be held April 26-27, 2006 at the Holiday Inn Select Perimeter in Atlanta (the Dunwoody area of north Atlanta for those of you who are familiar with area). The phone number for the hotel is (770) 457-6363 and there is a block of rooms set aside for the meeting.

The website for the meeting is <http://www.epa.gov/region4/air/mobile/SEDCconference.html>

Mississippi Biomass Council

Box 9642

Mississippi State, Mississippi 39762

Phone: 662-325-0513

Email: infomsbiomass@email.com

Board of Directors

Brent Bailey, Mississippi Farm Bureau Federation

Jim Evans, University of Southern Mississippi

Liam Leightley, Mississippi State University

Monte Reeves, A-1 Pallet Company, Inc.

Walter Ward, Community Recycling

Byron Wilson, Chair, Chico Creek Farms

Officers:

Sumesh Arora, President

Brent Bailey, Vice President

Stuart Dean, Treasurer

Elizabeth Myles, Secretary

We're on the Web!
www.ms-biomass.org

This newsletter is published by Alcorn State University Small Farm Development Center for the Mississippi Biomass Council.

Printing of newsletter have been provide by the United States Department of Energy Grant# DE-PS26-04NT42068-10

No part of this newsletter should be copied or reproduced without the written consent of the Mississippi Biomass Council.

