



# Biomass Thermal: A Market In Transition



April, 2010



# Background

- **Innovators have set the stage– our time is now**
- **>50 commercial pellet boiler projects now underway**
- **Equipment is “getting there”; numerous new entrants**
- **Bulk distribution infrastructure- cart & horse**
- **Market is still immature & fragile**
- **Subsidies are necessary evil**



# Rapid Adoption Phase- What Will It take?

- **Equipment- the tinkering must stop**
- **Fuel- standards key to success**
- **Knowledge- biomass is unique, true expertise is a scarce commodity**
- **Infrastructure- from installs to fuel distribution to 24/7 service**
- **Financial strength – this is the expensive part**
- **Big players are coming- fuel, equipment, service sectors**
- **Consolidation and rationalization are imminent**



- **Founded in 1992 by industry pioneer Steve Walker**
- **Jaffrey, NH based**
- **Largest in Northeast, 150,000 tons; 100,000 add'l under construction**
- **Approx. 50,000 customers**
- **Formed Propell Energy to promote commercial boiler systems based on European model**





## Jaffrey, NH

Current 75,000 tons ; Potential 85,000 tons



## Deposit, NY

Current 0 tons ; Potential 100,000 tons



## Schuyler, NY

Current 78,000 tons ; Potential 85,000 tons



- **80 Years of home & commercial heating; transport fuels**
- **Greenfield, MA based**
- **3<sup>rd</sup> Generation family owned & operated**
- **24/7 service over broad geographic area**
- **Tens of thousands of customers, 400+ employees**
- **Renewable Energy Group: PV, Solar Thermal, Pellets**





# Sandri



Sandri 

 PROPELL ENERGY

# Partnership = Power



# Mass DOER Grant: \$3.2MM

- Sandri with NEWP/Propell, Next Step Living as partners
- 114 proposals for \$250MM applied; 11 Awards totaling \$16MM
- 9 Commercial/institutional boiler sites (3 w/ solar thermal)
- Infrastructure (2 delivery trucks, storage)
- Residential program: 250 energy audits, 50 weatherization upgrades, 25 pellet boilers (\$5k rebate)
- Getting the grant was the easy part- challenge lies ahead



# Conclusions

- **SHOW TIME!** – this is what we've all been striving for
- **Success of current projects critical to industry success**
- **Technology not *fully* commercial- still needs focus & investment**
- **Infrastructure is the horse, but it's behind the cart**
- **Consolidation and rationalization among fuel, equipment & service providers**
- **Adoption phase requires dramatic change- embrace it or die**



# Thank You

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