



New Belgium Brewing

Fort Collins, CO June 14, 2017





OUTLINE

- Project background
- Why biomass?
- Study findings
 - Proposed system
 - Fuel use
 - Fuel supply
 - Emissions
 - Costs
 - Variants

ABOUT WISEWOOD ENERGY

Our Mission

We outfit communities and businesses with state-of-the-art biomass energy systems that strengthen local economies, lower heating costs and promote environmental stewardship

Technology in Service of Community and Environment







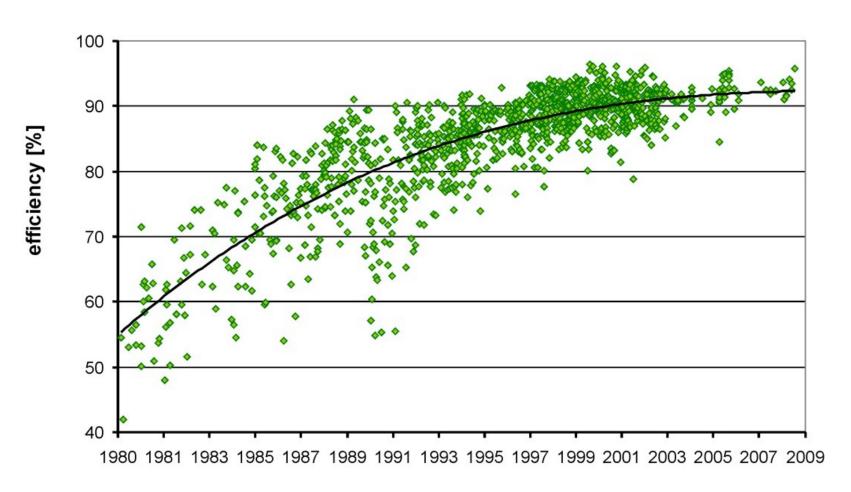


PROJECT BACKGROUND

- CSFS and Dan Bihn met with Wisewood to discuss CO biomass opportunities
- New Belgium Brewing was identified as a compelling process heat project
- CSFS retained Wisewood Energy to conduct a feasibility assessment of biomass process heat at the Fort Collins facility
- Feasibility study completed in May 2017

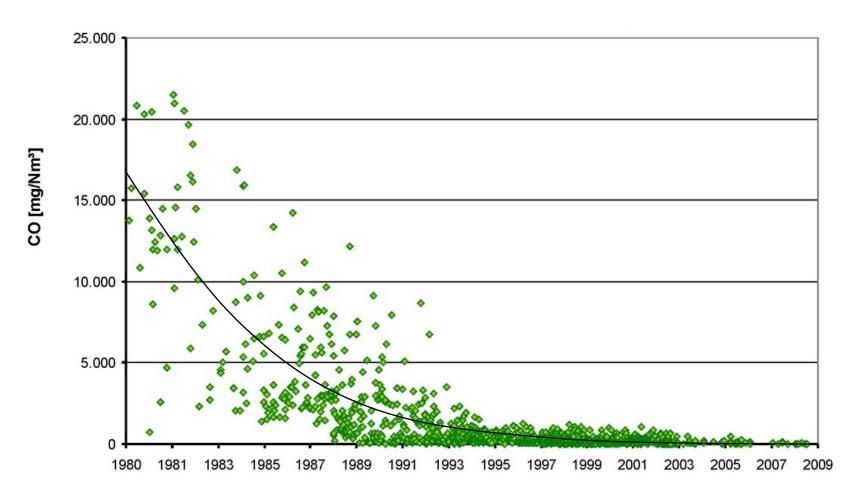
Biomass Energy for New Belgium Brewery WHY BIOMASS?

BIOMASS IS EFFICIENT...



Development of emissions of Austrian Biomass Boilers, measured by the federal agency for agricultural engineering Wieselburg (BLT)

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Development of emissions of Austrian Biomass Boilers, measured by the federal agency for agricultural engineering Wieselburg (BLT)

LOCAL FUEL SUPPLY

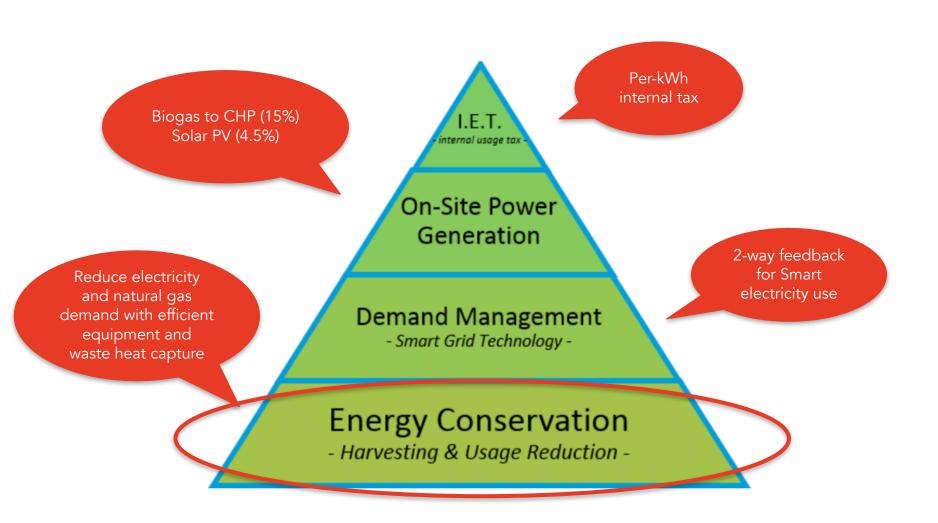
- New Belgium has its own spent grain supply
- The City of Fort Collins is concerned about Emerald Ash Borer (EAB) impacts in the area
- 15% trees in Fort Collins are ash; entire population expected to die within 5-10 years of initial EAB detection

RELIANCE ON NATURAL GAS



- New Belgium still uses
 ~88,000 MMBtu/yr of
 natural gas for the
 steam brewing process
- Natural gas is cheap, but is not renewable and has environmental costs that are not reflected in the price

A LEADER IN SUSTAINABILITY



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Biomass Energy for New Belgium Brewery

WHY BIOMASS?

RENEWABLE STEAM!

Biomass Energy for New Belgium Brewery STUDY FINDINGS

EXISTING NATURAL GAS SYSTEM

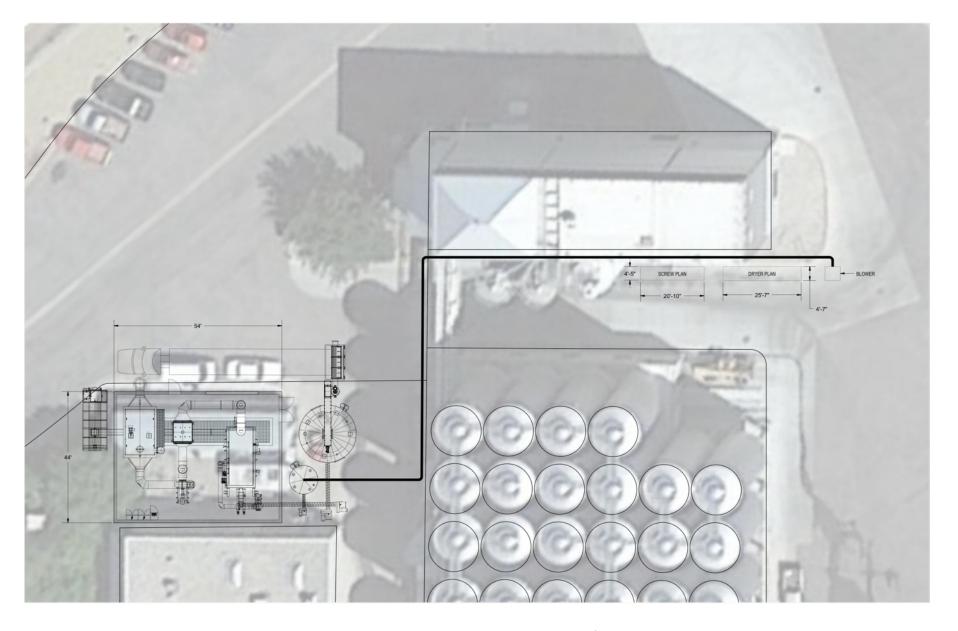


- 24/7, 5-7 days/wk operations
- Medium pressure steam
- Steam load primarily met by 1 modulating Clayton boiler
- Supplemented by 3 binary output Miura LX-200 boilers
- Consumption of approx. 88,000 MMBtu/yr
- >30,000 tons/yr spent grain produced, sold to cattle farmers for nominal price

PROPOSED BIOMASS SYSTEM



- 25%:75% spent grain to wood
- **Displace 100%** natural gas steam use with a 13.6 MMBtu/hr boiler
- 2,200 tons of spent grain per yr,
 6,600 tons of wood per yr
- Target 35% combined spent grain and wood moisture content for max fueling flexibility

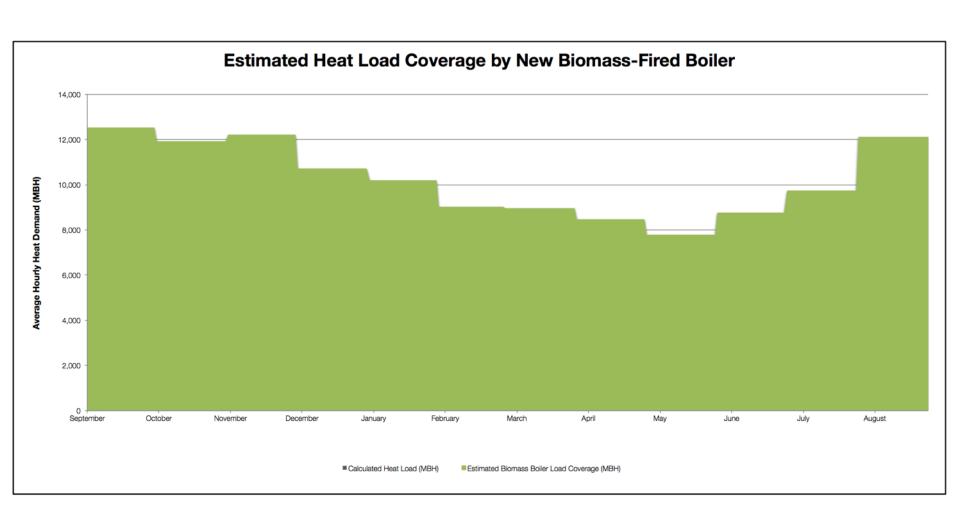








BIOMASS ENERGY MODEL



TARGET FUEL MOISTURE CONTENT

	SCENARIO A	SCENARIO B	SCENARIO C	
Grain Drying	Dewatering Screw + Active Drying	Dewatering Screw	None	
Target Spent Grain Moisture Content	20%	50%	84%	
Target Wood Moisture Content	40%	30%	19%	



Steam Tube Bundle Dryer



Dewatering Screw



WOOD SUPPLY OPTIONS

Commercial arborists

- Expected to be challenged by influx of wood from Emerald Ash Borer
- Currently paying to dispose of wood
- 1,000 5,000 tons/yr available

Morgan Timber

- Currently supplying wood chips to existing biomass systems
- Reliable, steady, plentiful supply

Hageman's Earth Cycle

- Additional market for wood waste
- 15,000 20,000 GT/yr woody material
- More expensive to access

Larimer County Landfill

- 87,000 100,000 tons/yr woody material
- More expensive to access

EMISSION CONTROLS



- Dynamic feedback from oxygen and temperature sensors in the combustion chamber and flue gas stream to optimize combustion
- Multi-cyclone array
- Electrostatic precipitator
- Other options if needed/desired for specific criteria pollutants (NOx)

Stabilized year operating costs compared to existing natural gas system.

EXISTING HEATING SYSTEM		BIOMASS HEATING SYSTEM		
NATURAL GAS	\$433,900	WOOD FUEL	\$66,100	
ELECTRICITY	\$2,800	ELECTRICITY	\$42,500	
OPERATIONS	\$5,000	OPERATIONS	\$66,200	
TOTAL	\$441,700	TOTAL	\$174,900	

Summary comparison of lifetime operating costs.

	YEAR 1 COST	YEAR 25 COST	CUMULATIVE COST (25 YEARS)	
EXISTING SYSTEM	\$442,000	\$1,125,000	\$18,320,000	
BIOMASS SYSTEM	\$175,000	\$281,000	\$5,601,000	
BIOMASS SYSTEM SAVINGS	\$267,000	\$843,000	\$12,719,000	

CAPITAL COST OPINION

Item Description	Est. Hours	Install Equipment	Install Materials	Install Labor	Line Total	% Total Project
Construction Costs						
Civil/Structural	Included	Included	\$ 240,000	Included	\$ 330,000	5.4%
Mechanical Installation	3,270	\$ -	\$ 3,030,000	\$ 490,000	\$ 3,570,000	58.1%
Electrical	400	\$ -	\$ 100,000	\$ 50,000	\$ 150,000	2.4%
Permitting					\$ 20,000	0.3%
Miscellaneous					\$ 50,000	0.8%
Contingency and Unlisted Items					\$ 620,000	10.1%
Subtotal Direct Costs	3,670	\$ -	\$ 3,360,000	\$ 540,000	\$ 4,740,000	77.1%
General Contractor Costs					\$ 950,000	15.4%
Subtotal Construction Costs					\$ 5,680,000	92.5%
Engineering, Procurement and Construction	n Management					
Engineering, Procurement and Construction Management					\$ 460,000	7.5%
Finance Fees and Management					\$ -	0.0%
Subtotal Development Costs					\$ 460,000	7.5%
Total Capital Costs					\$ 6,140,000	100%

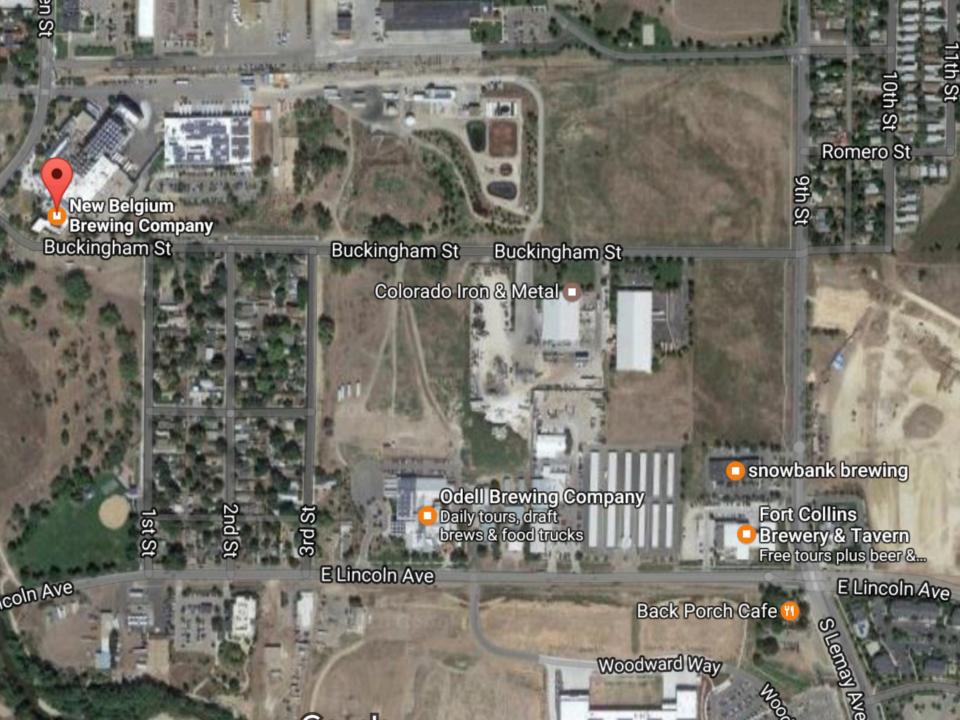
BIOMASS SYSTEM VARIANTS

Smaller biomass boiler

- 8 MMBtu/hr displaces 78% of facility's demand
- Avoids federal regulatory compliance
 - System will be equally clean, but less paperwork

District steam system

- Renewable process steam for breweries in the vicinity
- Increase boiler size, footprint, and storage system
- Allows for significant expansion of brewery operations in the "district"





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ANDREW HADEN
PRESIDENT

andrew@wisewoodenergy.com 503.706.6187

ADDRESS

2409 N Kerby Avenue Portland, OR 97227

WEBSITE

wisewoodenergy.com