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## Biomass Plant Gets Approval For \$39 Million In Tax Exempt Bonds

By Tammy Gray-Searles

The Navajo County Board of Supervisors gave their approval for the issuance of \$39.25 million in solid waste disposal revenue bonds by the Industrial Development Authority of Show Low to finance the biomass electrical plant to be located next to the Abitibi paper mill near Snowflake.

Attorney for the Snowflake White Mountain Power Biomass Plant John Overdorff explained that the county will not bear any liability for repayment of the bonds, but their approval is required because the bonds are tax exempt.

Biomass plant official Scott Higginson explained that construction on the plant has already begun, and over one years' worth of fuel has been hauled to the site. He also told the board that a used boiler is being shipped from Texas, and a new boiler, turbine and generator are currently in Maine being inspected prior to shipment.

According to Higginson, construction is expected to take a little over a year, and the plant should be in operation by the end of 2007. He noted a 20-year agreement to sell the power to Arizona Public Service Co. is already in place and the biomass plant's sister company has already started work gathering fuel from areas damaged by the Rodeo-Chedeski fire.

"You should begin seeing vertical building by September, and we expect to finish construction by fall of 2007," Higginson said.

Higginson also told the board that approximately 60 people are already employed with sister company Renegy gathering fuel, and that about 10 more permanent jobs will be created when the plant begins operation. He noted that energy created by the plant will serve the Snowflake, Show Low and Pinetop-Lakeside areas.

The biomass plant will burn a mixture of paper sludge created at Abitibi and wood chips procured from forest thinning projects to create energy. Because it is using products that would otherwise wind up in a landfill, the plant is considered a solid waste disposal facility and is eligible for certain tax credits, including the tax exempt bonds approved by the supervisors.

Higginson told the board that the biomass plant will benefit the local area in several ways, including the creation of new jobs, stimulating the economy, increasing the stability of the local power grid, and by improving local forest health through the removal of dead trees.

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