



Oswego, NY

Proposed cattle finishing, ethanol facility gains momentum

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A proposal for an integrated beef cattle and renewable energy project in Oswego County, which initially was greeted with skepticism by Oswego County legislators, is gathering momentum.

Bion Environmental Technologies Inc., which proposed the idea for the project, would include more than 70,000 cattle being placed in an area of the county, which has yet to be determined.

The core of the project is a set of activities around cattle finishing and ethanol, which is based on "closed-loop design and vertical integration," according to Jeff Kappell, vice president of renewables and project development at Bion Environmental Technologies Inc.

"The essence of this project is that the waste of one component becomes input to the other," he explained. "That works in both directions for the cattle finishing and the ethanol."

According to Kappell, the co-product of ethanol is distiller grain, which the cattle would consume. He added that the grains do not need to be dried, which saves energy.

The waste stream process from the cattle includes the extraction of renewable energy from the waste, which includes cellulose. The cellulose is processed and returned to the ethanol plant to be used to offset natural gas in the rest of the ethanol process.

"What allows this whole project to be considered is that there is an environmental treatment, a waste treatment technology, that has been developed and demonstrated that significantly shrinks the environmental impacts of the livestock operation of water and air," Kappell said.

He added that by the time the project is completed, any leftover byproduct would be removed from the farm and used at other locations.

"There is no manure that is left," Kappell explained. "It is very different from other livestock practices because there is no strain on the land."

The project would include a set of finishing facilities that would include slots for 72,000 cattle, which would require approximately 300-500 acres.

"It would be constructed in indoor barns with the ability to collect the manure multiple times a day and put it right into the waste treatment process," Kappell said.

According to the Bion representative, the project includes good quality of life for the cattle.

"In our situation where you are eliminating the manure so they are not standing in it, not walking in it, you have a much cleaner and healthier environment," Kappell said. "Actually the production is increased because the animals are much happier."

He added that there are standards for the space the cattle has within the industry, which would be attributed to

the barns in the project. Kappell said he was unsure off hand what those standards included.

He noted that the project would create around 50 million gallons of ethanol.

Kappell added that the project would generate a series of economic benefits in the area.

"The economic benefits for this project would be significant because you are talking about a large amount of jobs and a lot of economic activity and a multiplier effect," he said.

He noted that 200 skilled jobs would be created and said there would be a number of indirect jobs as a consequence of the project. Kappell noted that those 200 jobs would garner a total of \$8 million of wages.

"The area is continuing to be depressed," he said. "There are a lot of dairy farms that are liquidating herds in upstate New York." Kappell added that there is a decreasing demand for crops. This project would require such crops as well as unused cattle, rejuvenating the industry.

"This would establish long range, long-term state markets for agriculture," he said.

Kappell noted that the capital cost for the project would be somewhere in the \$200 million range.

According to Kappell similar projects are being discussed in Pennsylvania and Nebraska.

"There are lots of examples of people who are integrating cattle feeding and ethanol ... at a small level," he said. "The integration of what we are talking about here have been practiced throughout the Midwest, but on a smaller footprint because no one has had, before this, the waste treatment technology that directly addresses the environmental impacts in the kind of scale of herd needed to cause a closed loop."

The project could also include a slaughterhouse component, according to Kappell. If it was decided that such a feature was not wanted in Oswego County, then the cattle could be shipped to other locations for this process.

"This is a huge opportunity for an environmentally based, regional cattle production that will provide the marketplace with vertical integration, traceability, food safety, and a lot of branding possibilities," Kappell said.

The project was discussed during Tuesday's Economic Development and Planning Committee of the Oswego County Legislature, which included largely positive opinions.

"We are all for it, I thought it was a good thing," said Legislator Arthur Ospelt, R-Schroepfel.

He added that the amount of jobs as well as the indirect jobs created by the project is a huge reason that leads him to this positive impression.

"You are looking at possibly 1,000 jobs," Ospelt noted. He explained that the water and air quality concerns are alleviated by the presence of the Department of Environmental Conservation who monitors those areas.

The company developed a Web site for the project, which offers additional information and allows for the public and stakeholders to post questions to Bion officials. The Web site can be found at www.bionoswegoproject.com.