

Mendota sugar beets could be used for energy

Mendota operation could employ about 100 people.

By Robert Rodriguez

The Fresno Bee, Tuesday, Sept. 14, 2010

Two hundred people lost their jobs, and sugar beets — long a staple crop in the Valley — virtually vanished after the Spreckels Sugar plant shut down two years ago.

But a die-hard group of farmers known as the Mendota Advanced Bioenergy Beet Cooperative is trying to revive the industry in the Valley with a new use for the rough-looking vegetable — clean energy.

The farmers expect to receive a \$1.5 million state grant for preliminary work on a power plant that, if successful, would be one of the first of its kind in the U.S.

It would also add to a small but growing cluster of green-energy producers on the west side.

The proposed plant would use sugar beets and orchard prunings to make ethanol, electricity and compressed natural gas. Another element of the project would involve treating urban and agricultural water for use on farms, parks and commercial landscaping.

The plant would employ about 100 people, with 50 jobs at the plant and 50 in the field. Project organizers estimate that the biorefinery plant could generate \$100 million in annual sales.

And at least 15,000 acres of sugar beets would be needed to produce ethanol throughout the year.

Construction is estimated to cost \$200 million, and the plant would be operational by 2014.

"There are a lot of people who would like for this to happen," said Ellen Des Jardins, a sugar beet grower since the 1960s and cooperative member from Dos Palos. "We need something like this."

Staple crop

For decades, Fresno County's row-crop farmers were the kings of sugar beet production. The region's soil and the growing climate were well-suited for beets.

Beets also fit in well with a rotation of crops that included cotton, safflower and wheat.

At one time, Fresno County farmers grew beets on nearly 50,000 acres. But by the late 1990s, farmers began switching to higher-value crops such as almonds, pistachios and processing tomatoes.

With shrinking acreage, the Spreckels plant closed in 2008.

Cooperative members initially wanted to reopen the plant to make sugar, but the cost of resurrecting the aging facility was too great.

Instead, farmers and project supporters decided to open a new plant with a new mission: using beets to make ethanol.

The revised plan is to build a plant near the Covanta Energy biomass plant, just east of Mendota. Also nearby is the 40-acre CleanTech America solar park.

Experts say sugar beets produce more energy than corn, and beet pulp breaks down easily in anaerobic digesters that could be used to produce compressed natural gas.

"Sugar beets are sort of the hog of the plant world," said Steve Kaffka, an agronomist with the University of California at Davis and director of the California Biomass Collaborative. "All parts can be used."

Kaffka, an adviser on the project, said the timing is right for the project.

"If we are serious about trying to find alternative fuels, then we need to take a hard look at these ideas," Kaffka said.

Officials with the California Energy Commission agree — and they say that's why they are awarding nearly \$15 million in grants and loans for biofuel production plants.

The Mendota project is at the top of the competitive grant list.

The project scored 95.3 out of 100 total possible points in the agency's evaluation process and was among 12 of 44 projects that received a notice of proposed award. The CEC will vote on the projects in the coming weeks.

"We were humbled," said Jim Tischer, a project consultant and regional program manager for Fresno State's Center for Irrigation Technology.

Tischer said the project team is now focused on completing the preliminary engineering and permitting work.

"If we can make all the pieces fit, this project would be leading the way in creating a sustainable supply of energy and fuel," Tischer said.

The future for beets

But the beet project also faces hurdles, namely, attracting investment capital and making sure the operation does not contribute to the Valley's air-quality problems.

The recession has made it more difficult for projects such as this to get financing as lenders have adopted more cautious attitudes. Tischer hopes to overcome that by selling investors on the green-technology angle.

And when it comes to air quality, plant backers are aware that burning orchard prunings will result in emissions. The goal is to keep those emissions well within acceptable limits, Tischer said.

"It has to meet the air-quality standards or we won't be interested," Tischer said.

Experts say it is worth a shot.

Daniel Kammen, a renewable energy expert at the University of California at Berkeley, said Europe is ahead of the game in using material such as wood, corn and other nonedible parts of plants to create fuel, natural gas and electricity.

"It is the right way to get the maximum energy benefit with very little waste," Kammen said. "It is the right strategy, and it is worth making effort to go for this."

Kammen said the west side is an ideal location for a project such as this because of the availability of land and the region's ability to grow sugar beets.

Mendota Mayor Robert Silva said the city hopes the project can get off the ground. The region has suffered from double-digit unemployment as the agricultural economy has struggled through three dry years and environmental restrictions that have reduced water deliveries to farmers.

"Any kind of project that involves job creation is something that we support, and we will work with them in every possible way," Silva said. "Sugar beets used to be an industry that thrived around here, but now it is dead."

Modesto City Council Watch (9/14/10)

Modesto Bee, Tuesday, Sept. 14, 2010

The Modesto City Council will consider the following items when it meets at 5:30 p.m. today in the basement chambers of Tenth Street Place, 1010 10th St.:

- A five-year agreement for the U.S. General Services Administration to lease offices for transportation security staff at the Modesto airport. The federal agency uses space at the airport under a lease that will expire March 1, 2011, but it wants to move to a new location at the airport. The new lease provides for payments to the city of \$74,400 over five years.
- A \$159,000 contract with West Yost Associates Inc. to provide consulting services for the 2010 Urban Water Management Plan
- The final environmental impact report for the 2010 water system engineer's report, a document used in setting water rates to fund improvements. According to the environmental study, the improvements to Modesto's water system will encourage growth and have effects on agriculture, noise and [air quality](#).

[Visalia Times-Delta and Tulare Advance-Register Editorial, Tuesday, Sept. 14, 2010:](#)

Rail line plan takes another hit

The further along Tulare County progresses toward buying a 30-mile stretch of defunct rail line in southeast Tulare County, the worse the prospect gets.

While obtaining the right of way for the line for some future uses might be prudent in the long-term — depending on the cost — the notion that the county should save the actual railroad line as a component for economic development looks increasingly less promising. If the county must pursue this route, it must adjust its concept and planning.

A business plan commissioned by the county at a cost of \$95,000 seemed to present a promising picture of the business opportunities for the rail line.

Until we looked at the details.

The plan identified 13 businesses that were prospective customers.

But only three of the companies are now using the San Joaquin Valley Railroad. Of the remaining 10, eight are along a 30-mile stretch of track that will be removed this fall.

Three of the companies listed as prospects said they had no plans to ship by rail. One company, Svenhard's Swedish Bakery in Exeter, hasn't opened for business and officials do not have a firm date when they expect to use rail to receive flour and sugar shipments.

The biggest prospect, a Walmart Stores distribution center in Porterville, seemed encouraging. But Wal-Mart said it had no plans to ship by rail.

That pretty much leaves the rail line serving three customers.

The problem is the cost. It will cost about \$13 million to refurbish the tracks from Jovista to Dinuba; that's if the tracks are not removed. If they are removed — and the work is scheduled to begin any day now — the cost becomes about \$18 million from Strathmore to Jovista alone. Finally, to upgrade the tracks so they can carry a freight load at 20 mph (trains now are limited to 10 mph) would cost an estimated \$38 million.

Preserving the rail line is a prudent objective. Advocates of the east-side rail line make a valid point about rail's efficiency, economy and environmental advantages. Shipping by rail saves fuel and spares the air. No doubt a rail line that could connect the San Joaquin Valley to the port at Oakland has both current and long-term advantages for business.

The problem with the current plan is that it is based on too much speculation, too little hard facts and virtually no commitment from the private sector.

The business plan makes some totally inflated presumptions of its own, verging on the totally specious. Analysts claim in the business plan that a 39 percent profit margin is possible. Really?

At another point in the business plan, analysts estimate the potential for shipment of various commodities and products by rail. They estimate 3,800 carloads are being shipped annually. Really? By three shippers? Then they project the "likely potential" of 12,240 carloads for a refurbished line without offering any data to back that up. In one case, they estimate the "likely potential" for 4,500 carloads of clay, sand and gravel aggregate shipped annually, with an "aggressive potential" of 5,600 carloads. No sand and gravel is being shipped now. It seems to us that the business plan egregiously exaggerates the potential for use of this rail line.

The plan is correct in one regard: Many non-local funding sources are available for refurbishing this line. The county, under the Tulare County Association of Governments, has funding through Measure R and state and federal sources.

However, considering this project as anything more than a long-term vision that would yield results far in the future would be a mistake. Committing county money to this project would be prudent only as a long-term investment. The county has many more pressing transportation needs than this rail line.

Far from confirming the wisdom of continuing with the east-side rail line project, this business plan is evidence against it. Unless the county can find a partner with the resources to sustain it, it's time to draw back.