

Green energy plant near Gaylord could be U.S. commercial first

By HARRY GILLEN
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GAYLORD – Bagley Township, waiting for state approval of \$2.5 million in federal funds, could host the first commercial-sized cellulosic ethanol plant in the U.S. on the site of the former Georgia-Pacific particleboard plant near Gaylord.

Mascoma Corp., the Boston-based company working to develop cellulosic biomass technologies, started a feasibility study of the former G-P site last fall. The study is still in progress.

“The site holds promise, although it’s not an immediate site with respect to our original game plan,” said Jay Niles, vice president of Mascoma. “We’re not releasing details of the study yet.

“It’s workable, but we’re still pursuing additional sites,” Niles said.

A commercial-sized cellulosic ethanol plant, which produces ethanol mainly from wood chips and other non-agricultural crops, does not have an existing formula for a construction timeframe, Niles said.

“No one’s ever built one before on a commercial scale,” Niles said. “Right now we’re building a smaller one in New York to give us the information we need to make plants in the future. Everyone understands what the issues are for other plants, but the issue here is that it takes us more time because there’s no formula.”

The study has gone smoothly with the help of Bagley township officials, Niles said.

“Bagley Township has been very proactive, which has been incredible,” Niles said. “It’s sped up our ability to look at what’s presented. It’s unusual to get that kind of help, and it’s very positive.

“We’ve been given well-coordinated, consistent information. Everyone was a pleasure to deal with,” Niles said.

Roger Glawe of Gaylord Lumber Company and Forest Resource Group also plans to invest a hardwood sawmill and wood pellet plant into the site.

Last month, the township applied for the federal funding needed to start renovations on the former G-P site. The Michigan Economic Development Corp. is expected to approve the submissions within a couple of weeks, township officials said.

“I would think we should be hearing something shortly,” said Bill Giles, supervisor of Bagley Township. “We’ve been working on this deal for a number of months now, so I guess a couple more weeks wouldn’t hurt. The wheels turn very slowly, so we’re anxious to get that thing going over there.”

When G-P closed its doors in March, 2006, it cost around 400 people their jobs. New developments on the site could bring in an estimated 160 jobs.

Gaylord city manager Joe Duff said, “We are thrilled with the possibilities. There’s no question about it. The closure of this plant truly affected our community. We’ve lost over 400 jobs, good manufacturing jobs.

“If we can see at least 100 come back to our community here, as well as adding back to the lumber industry, then that’s a great thing for us,” Duff said, adding that it could create 300-500 spin-off jobs.

The \$2.5 million grant would be used to purchase equipment already on the site for Gaylord Lumber to take over. It would also be spent to repair rail and roadwork leading up to the site.

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