



BIOMASS FUEL AVAILABILITY

Innovative Natural Resource Solutions LLC (INRS) regularly conducts biomass fuel / feedstock availability and pricing analyses for wood-fired power plants and bio-product facilities in the United States. Our clients include merchant plant developers, utilities, prospective buyers of existing facilities, and financial institutions.

While INRS tailors our analyses to the particular needs of each client, the following are features of analyses that potential clients often consider important as they seek to understand the availability, pricing, risks and opportunities associated with buying wood.

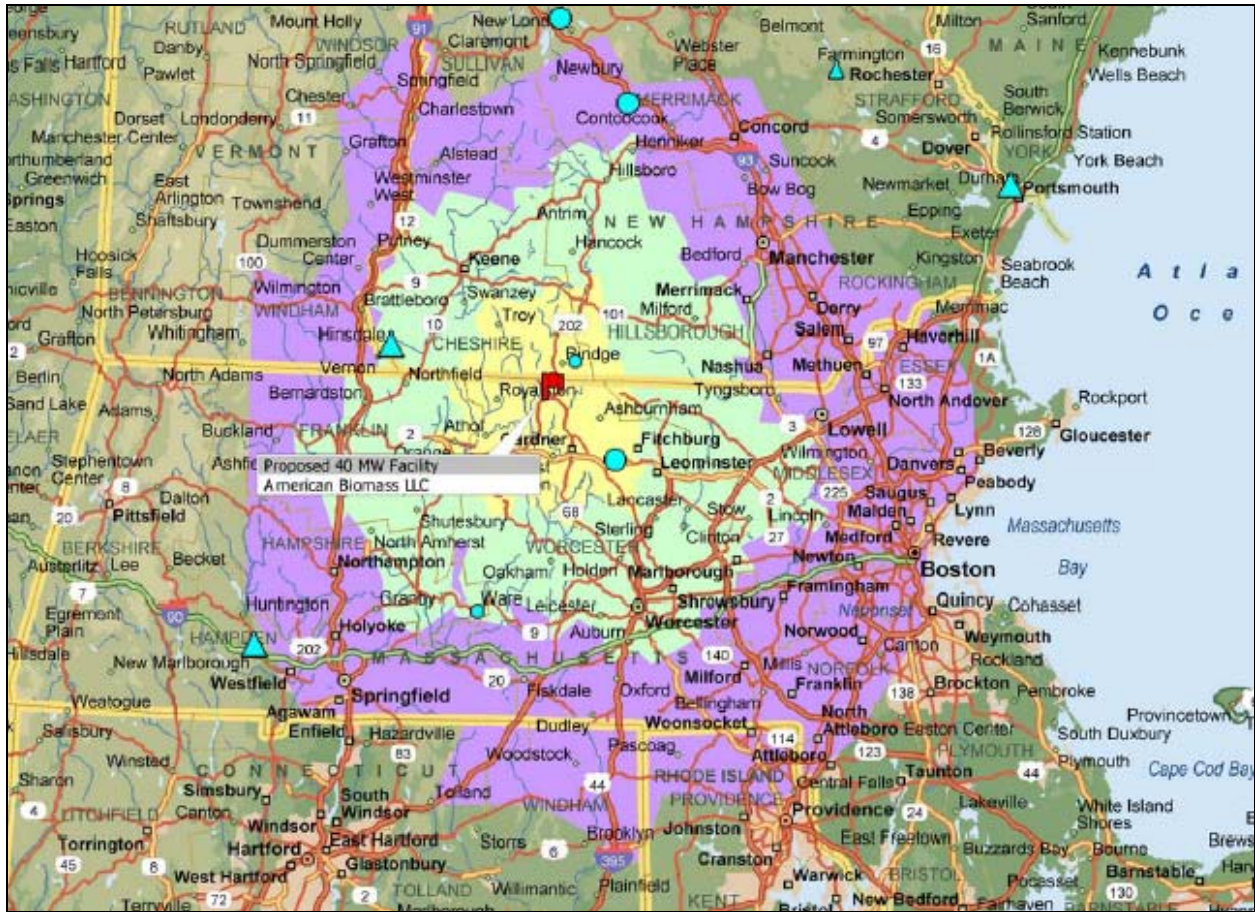
- 1. Inventory of existing, proposed and idle competitors for similar grades of feedstock within the region, sorted by drive-time distance.**
 - a. Facility name, ownership and location;
 - b. Historic and potential wood use, as well as types of wood used (biomass chips, sawmill residue, white wood, etc.);
 - c. Potential for continued operation and level of operation;
 - d. Products produced and general state of those markets (e.g., electricity, renewable energy certificates, grades of paper, etc).

- 2. Assessment of the sustainable supply of fiber available within a reasonable supply radius of the project, and factors influencing this supply.**

- 3. Analysis of the supply infrastructure, including logging supply, harvesting equipment available in the region, wood processors with residue (e.g. sawmill residue), and opportunities to build this infrastructure.**
 - a. INRS can also provide similar information on non-forest fuels, such as pallet grindings, urban wood waste, tree trimming, construction & demolition debris, and paper cubes;
 - b. INRS typically interviews a sample of potential suppliers to establish supplier capabilities, to understand local supplier capabilities, equipment, equipment limitations, current pricing, and anticipated incremental pricing.

- 4. Comprehensive review of pricing for wood for the facility, including:**
 - a. Historic (where available), current and projected pricing of wood for a project;
 - b. Seasonal changes in wood pricing and availability;
 - c. In-depth discussion of the variables, opportunities and risks associated with the regional wood market, including a discussion of how each variable can influence wood pricing;
 - d. Strategies to securing long-term pricing, and opportunities to reduce fuel price volatility.

Sample Figure: Map showing proposed biomass facility (red flag), as well as existing, idled and proposed biomass power plants, as well as a wood pellet manufacturer. In this hypothetical example, 30-minute, 60-minute and 90-minute drive times are shown.



Innovative Natural Resource Solutions, LLC designs each wood availability study to meet the specific needs of the client. We have helped develop the fuel plan for the country's largest new biomass power plant, and have worked with hospitals and schools on small campus-size projects. Our experience working with biomass to electricity facilities, cellulosic ethanol developers, wood pellet manufacturers and paper mills provides our clients with a wealth of experience to draw upon. INRS prides itself on exceptional customer service, on-time delivery, and a collaborative approach.

