

New energy for alternative power projects

Aaron Burkhalter | Skagit Valley Herald
May 06, 2009 - 05:00 AM
Last Updated: May 06, 2009 - 12:32 AM



Frank Varga

Orion Polinsky, director of research for Whole Energy, holds a vial of refined glycerin (left), and a beaker of raw, solid glycerin. The company is one of a few renewable energy outfits in Skagit County that could benefit from the federal stimulus package.

Whole Energy in Anacortes has been playing with raw glycerin for several years now.

Research Director Orion Polinsky has taken what looks like a cup of thick, brown, chunky goop and processed it into a light liquid that he believes could be a useful industrial chemical.

This natural byproduct of biodiesel normally goes to waste, Whole Energy President Atul Deshmane said. Whole Energy could turn it into a sellable product with the right equipment and right people, taking the Anacortes-based biodiesel distributor into the business of recycling industrial products.

“The focus of our project would be to not just process vegetable oil but the process of byproducts — glycerin — to make value-added projects, not just diesel,” Deshmane said.

Deshmane’s project, which he hopes to start in a partnership with oil recycling company Venoil, was several years down the road until the American Recovery and Reinvestment Act came along.

Whole Energy is one of a handful of renewable resource outfits located in Skagit County that could benefit from the stimulus package’s provisions for environmental projects.

In Washington, that money is distributed by the department of Community, Trade and Economic Development. The state agency will distribute \$176.6 million in energy funds allocated to Washington state, and federal dollars distributed directly through tax credits and incentives.

CTED Senior Policy Analyst Mark Anderson said the funds are meant for three things: renewable energy production and research, weatherization for low-income households and energy efficiency projects on public lands and structures.

Anderson said CTED wants to devote much of the money to long-term renewable energy programs, with only a portion going to one-time projects in low-income weatherization and similar efforts.

“We like the perspective of having a revolving loan program as long as it works,” Anderson said. “There is so much to do that we would like to keep doing it going out into the future rather than have this big wave of one-time spending and then stop.”

He said the money should be available to Washington by June.

Farm Power co-owner Kevin Maas called the stimulus package “a late Christmas present” for the manure digester he and his brother Daryl Maas are building adjacent to two dairy farms west of Mount Vernon.

Maas said groups like his, if they finish a renewable energy project between now and 2010, can apply to have a 10-year tax credit program turned into cash up front, and they’re happy to take it. Farm Power would give up ten years of tax credits, but gain as much as \$750,000 in cash when the project is completed in August.

Maas said that funding sets the stage for a second manure digester somewhere else in Skagit County. The project, which he said would create 17 construction jobs to build, is much easier and safer to build with the tax credit cash-in.

“I think on this first project, when we look back when it’s all done, I think we will be in absolute awe of the amount of risk we took,” Maas said. “The stimulus money vastly reduced our risk for the next time around.”

In Anacortes, Deshmane and Venoil Managing Director Carlos Arco are hoping to glean \$850,000 through CTED for their glycerin processing. They want to add glycerin, a viscous chemical used in everything from lipstick to machine lubricants, to a list of oil and petroleum products they already recycle and sell back to industrial companies. They could not yet share how the glycerin they produce will be used.

Deshmane said the new processing equipment could be running, and he could hire seven people by July with the stimulus money.

While these two projects are expected to garner some instant money and create a few jobs in the process, just the thought of the money has already spurred growth and movement in the alternative energy sector.

Gene Kohlmann, general manager of Bayview Edison Industries, said the wind power sector is busy in anticipation of stimulus dollars. His company creates molds and blades for wind turbines.

“When the credit markets faltered in the fall, the industry slowed down,” Kohlmann said. “Now with the stimulus package, they appear to be moving forward.”

Maas said companies just starting out in renewables might be too late.

“The clock is already ticking on that thing,” he said. “People should be opening renewable energy like crazy.”

He said anyone looking to start up a manure digester from scratch now is likely out of luck due to a 2010 deadline for most projects.

“If he started right now, and he wanted to start a multimillion dollar project, he might not get it done by 2010, and he wouldn’t qualify for something like this,” Maas said.

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