# The Canadian Farm Business Management Council

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Conseil canadien de la gestion d'entreprise agricole

farmcentre.com

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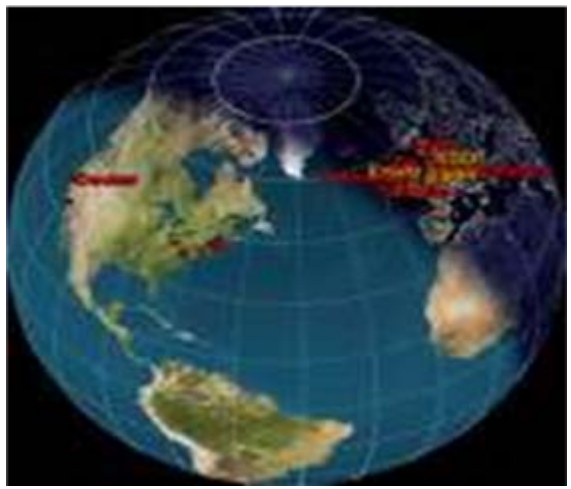
# Evaluating Opportunities in Bio-energy

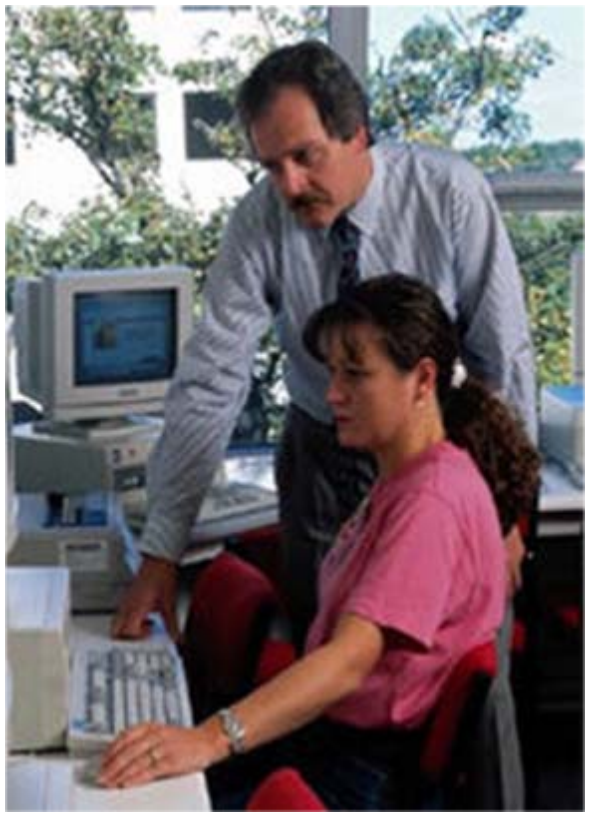
## Practical Information and Tools for Farmers Evaluating Investment Opportunities

# Our Vision

- **Canadian Farmers are admired for their ability to manage for success.**



# Our Mission



- **To provide “leading edge” resources to enable Canadian farmers to make sound management decisions.**

# About CFBMC

- Funded under APF renewal chapter
- $2.5M annual budget
- Staff of 8
- 9 member BOD
- Individual, assc., corporate members
- 15 years of service to Cdn farm managers

# CFBMC Products and Projects

- Farmcentre.com
- The Canadian Farm Manager
- Managing Excellence in Agriculture Conference – Halifax
- Value Chain Management Workshops
- Marketing Caravan
- Webinars
- Customized FM content with partners
- Print resources
- Speaker sponsorship
- “Step up” mentoring initiative

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Consumer choice driving renewal energy development through influence on policy makers.

Now producers have to choose if and how to respond to the opportunity.

# Why a CFBMC renewal energy product?

Producers want to learn about the:

- *Potential* for various renewal energies to generate *Profits*.
- Gain understanding of the *Processes*
- How the on-farm *Production* of energy crops and energy generation works
- Avoid the *Pitfalls*
- How the *Policy* context affects development

# Context

- CFBMC is neither a promoter nor a detractor for agricultural based energy production.
- CFBMC does promote farm managers seeking new opportunities, and making sound FBM decisions based on the best available information on markets and risk factors, within the constraints of the farm enterprise!

# Where to start?
# 3 bio-energy alternatives

- Bioheat – direct combustion of agricultural crops and residues
- Ethanol
- Biodiesel

- Content developed by R.E.A.P Canada – Roger Samson

# Bioheat

- Crop and wood residues – stover, straw, milling wastes
- Grains – corn, wheat
- Crops grown specifically for combustion – switch grass, big bluestem, prairie cordgrass, prairie sandreed

# Highlights - Biofuels

- Common approach in Europe – Sweden & Germany have 70,000 pellet boilers
- Has promise as regional energy economy
- 20% of Canada's farmland could produce 80% of total residential and commercial heating req.
- Uses marginal land
- Pellet mill $5M investment – 50,000T
- Highest output / input ratio
- No current policy incentives
- Profit potential $100-400 / ha

# Ethanol

- Corn – dry and wet milled
- Wheat
- Barley
- Cellulosic – switch grass, residues

# Biodiesel

- Soybean
- Canola
- Camelina
- Animal wastes

# Format

- General overview
- Understanding the process – concise explanation from feedstock to end product and by-products
- Discussion of the potential and limitations
- Technical and agronomic information
- Interviews with producers
- Environmental considerations -

# Environmental considerations

- Net energy yields
- GHG effects
  - Carbon storage, CO2, particulate matter
- Agricultural sustainability
  - Soil protection – erosion, compaction, organic matter, fertility requirements, inputs

# The economics

- Case studies and comparisons
- COP of feedstock
- Investments required
- Energy and by-product yields

- Enable the producer to assess the potential for profitability

# Key producer questions

- What's renewal energy all about?
- Can I participate?
- Should I participate?
- How – direct ownership; cooperative ventures; supplier of feedstock
- Can I make a profit?
- What are the risks?
- What are the timeframes?

# Project completion

- Ready for Feb 1
- Print, CD, on-line materials
- Budgeting tools on farmcentre.com
  - Switch grass, pelleting, on-farm biodiesel
- Linked to other available resources
- ACC Farmers Financial - AMI

  www.farmenergyonline.com
- Anaerobic digester, solar, wind

# An invitation to

Visit www.farmcentre.com

Webinar with Roger Samson Feb 4th

Contribute your ideas and input

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