

Panhandle goes green with new industry (see VIDEO)

[By Daniel Carson](#)

June 19, 2008 - 11:44PM

If Green Circle Bio Energy had opened its wood pellet plant in a different Northwest Florida or Alabama location, Powell Brewton's family pine tree farm might have been one of the company's numerous regional wood suppliers.

Instead, Brewton ultimately was able to offer Green Circle a different commodity, land.

"That's one of the things that attracted us to it, that it would be green," Brewton said as he sat under a white tent at the Green Circle plant, a 225-acre site in Jackson County his family had owned since 1950.

Today's story about Green Circle and the current state of renewable and alternative energy in Northwest Florida is the first of four that will examine the company and industry's potential impacts on the region's economy.

Renewable and alternative energy rapidly has become one of Northwest Florida's most promising new industries, officials said, and Green Circle provided the region an opening jolt when it announced plans in February 2007 to build the world's largest wood pellet plant in Jackson County.

Catalyst for change

Rep. Marti Coley, R-Marianna, noted planning, negotiations and the site-selection process for the Green Circle project started well before Gov. Charlie Crist, a vocal advocate for renewable and alternative energy, took office.

"They've kind of set the tone," Coley said of Green Circle.

The Green Circle project has served to advance renewable energy as a potentially lucrative regional industry, with Florida's Great Northwest promoting it as one of the organization's four targeted industries for future market growth opportunities.

With private companies such as Green Circle also have come public investments, as the state looks to increase its renewable energy output and attract new industry.

Of the \$25 million in 2008 Farm to Fuel grants awarded by the Florida Department of Agriculture and Consumer Services, \$15.4 million went to Northwest Florida-based commercialization projects.

The department awarded a \$7 million grant toward a Walton County biodiesel and ethanol production facility, \$4 million apiece to projects in Liberty and Escambia counties, and a pair of grants to Panama City-based Applied Research Associates for biofuel and cellulosic ethanol-related research.

At Green Circle's grand opening ceremony, Stephen Adams, director for the state Department of Environmental Protection's Office of Strategic Projects and Planning and Gov. Charlie Crist's coordinator of climate change policy, touted the 300,000-square-foot plant for its use of alternative power sources.

Most of the plant's electric power needs, supplied by West Florida Electric Cooperative, will be met

with electricity generated from methane gas.

The methane gas is generated at a Waste Management landfill less than eight miles from the Steele City site.

"This is a tangible example of the kind of economic opportunities available to Florida," Adams said, as he pointed to the plant behind him.

A Chile start

The seeds for Green Circle and its wood pellet operation were planted in Chile, as a Swedish oilman self-described as "skeptical" to alternative energy reversed course and opened a small South American pellet plant.

Green Circle Bio Energy is a Panama City subsidiary of JCE Group AB, a Swedish corporation rooted in the offshore oil and gas industry that's branched out into the renewable energy field.

JCE established Andes Bio Pellets in 2005 and started production at the 50,000-ton-a-year pellet plant 18 months ago.

Another JCE company, Burntisland Fabrications Ltd., or BiFab, operates in Scotland and had been involved as an equipment supplier in the offshore North Sea oil and gas industry for years

That company has become more involved with offshore wind energy projects in recent years and was recognized by the Scottish Parliament in December 2007 for its role as a prominent Beatrice Wind Farm project supplier.

As he stood at the south end of Green Circle's massive production plant, JCE Founder and owner J. Christer Ericsson said the oil industry did not take renewable energy seriously in the early part of this decade. He said major oil companies such as BP, Chevron and Shell gradually have embraced renewable and alternative energy technology and production, and were calling JCE for information on its projects.

Ericsson noted the change he's seen in those companies' print and television ads.

"You don't see oil installation. You see windmills and wind plants," Ericsson said as he walked past a towering mound of wood chips on the Green Circle site.

Port proximity

When he spoke at Green Circle's grand opening ceremony, Ericsson spoke briefly about the abundance of pine forests he found when taking a private nighttime area tour.

While pine proved to be one of the major factors in swaying Green Circle's site decision, Jackson County's close proximity to Port Panama City also played an important role.

Green Circle's 10-year agreement with Port Panama City obligated the port to build a \$13.5 million on-site bulk facility for storing wood pellets. From the port, the pellets will be transported via ship to Europe for use in industrial power plants.

After six years of planning and 14 months of construction, Port Panama City opened a 80,000-square-foot bulk warehouse in May that can hold up to 35,000 tons of pellets

The \$13.5 million project includes the warehouse, a new rail pit and a specialized conveyor system to move the pellets from Bay Line Railroad's rail cars into the bulk facility and eventually onto Europe-bound ships at the port's south berth.

Port Executive Director Wayne Stubbs said he thought every state and economic development agency nationwide was targeting alternative and clean energy based companies.

As he sat in his office, Stubbs said he considered Florida an attractive location for startup companies in the renewable field, because of the state's strong reputation internationally and the governor's recent emphasis on boosting the state's production and domestic use of renewable energy.

In July 2007, an executive order from Crist called for a substantial reduction in Florida's future greenhouse gas emissions, with utilities asked to produce at least 20 percent of their electricity from renewable sources.

Stubbs said he thought Florida, like California, had an opportunity to exploit its green image.

With Green Circle's connection to Port Panama City, the port now has links to the emerging and traditional energy industry, Stubbs said.

He pointed out that port tenant Berg Steel Pipe makes natural gas pipelines and oil transmission lines while another tenant, Oceaneering Multiflex, produces umbilicals for offshore exploration.

"Energy is a big part of our business. So I think it's a good idea to keep moving in that direction," Stubbs said.

The wood pellet plant started production in April, and Green Circle expects it to eventually produce an annual capacity of up to 600,000 tons.

Company President/CEO Olaf Roed said he expects to send a first shipment to Europe in late June or early July.

Roed said the company still has a lot of land left at the Steele City plant and likely would study future expansion possibilities at a later date.