

North Shore biomass facility stalled

Placer County has put the kibosh on negotiations with Liberty Utilities regarding the Cabin Creek biomass energy facility between Tahoe City and Truckee.

Placer and Liberty have been in negotiations for several years on an agreement for Liberty to buy energy from the facility and possibly agree to buy the facility after its completion.

To remain eligible for a U.S. Department of Energy grant that has helped fund the project, the facility needed to be complete by May 2019, which required a deal to be struck by next month.

Because Placer and Liberty could not reach a deal, the Board of Supervisors this week directed staff to cease negotiations and explore other opportunities.

“I think it’s critically important to recognize that we still have an approved project at Cabin Creek and my full intention is to do everything I can to make sure it gets built, just with a different partner,” Supervisor Jennifer Montgomery said.

In 2008, the Department of Energy awarded Placer County \$492,000 to study the feasibility of building a biomass facility. The Board of Supervisors in 2015 approved a grant agreement with DOE that provided \$2,919,250 for the project, which would have also helped fund its construction. The estimated cost to build the facility was \$7.2 million, with \$1.5 million coming from the DOE grant and the remaining \$5.7 million to come from the county and possibly Liberty.

The county won’t have to reimburse funds that have already been spent.

The project's conditional use permit is still valid, allowing the project to proceed as conditions allow. Other partnerships may be explored.

– Lake Tahoe News staff report