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Red Rock gets go-ahead for Lakeview Renewable biofuels plant to be constructed in Lakeview

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An open field along Kadrmas Road in Lakeview is the proposed site for a biofuels manufacturing facility, which received final approval this week to begin construction. A groundbreaking ceremony for Red Rock Biofuels is planned for later this summer.

- Photo courtesy Lake County Examiner

LAKEVIEW — After countless meetings, hearings, discussions and planning, all hurdles have been cleared for construction of a new renewable energy biofuels plant in Lake County.

Red Rock Biofuels, a Colorado-based company established in 2011, has had its sights set on Lakeview since 2013 as a target location to build its first operational facility; identifying the location for its proximity to rail, highways, the Ruby natural gas pipeline and an abundance of forest bi-products to be collected and converted to jet fuel.

The facility is expected to convert 136,000 tons of woody biomass and forest bi-products into 15 million gallons of renewable fuels annually.

Official word

“Red Rock Biofuels LLC is pleased to announce that after many years of development, we are commencing construction on our planned biorefinery in Lakeview,” said Jeff Manternach, Chief Financial Officer for Red Rock. “We appreciate the support from all of our project partners and are planning a ground breaking ceremony for later this summer.”

Construction is estimated to take 18 months, with operations planned to start in 2020. Initial estimates had the facility opening by 2016, but negotiations and the permitting process hit several snags.

Once operational, the facility will intake woody biomass and ag waste, compiled from forest bi-products gathered from thinning projects to reduce fire fuels. By using a combination of gasification, hydro-processing and the



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Fischer-Tropsch method of combined pressure, heat and water; raw materials are converted into jet and diesel bio-fuel.

The company was created in response to widespread and devastating wildfires in the Western United States caused by forest debris and the rising demand for drop-in, cost competitive renewable jet and diesel fuels.

30 to 100 jobs could materialize

Funded through bonds, equity and already established contracts with FedEx, Southwest Airlines and the U.S. military, the project received a major boost in January when Oregon Gov. Kate Brown approved \$245 million in bonds for Red Rock Biofuels. The Red Rock facility is anticipated to provide around 30 jobs within the plant and an additional 75-100 positions for materials gathering and transport. The site for the new facility is located on the southern end of Lakeview south of Kadrmas Road in close proximity to the Lake County Railroad line — the primary means to transport refined fuel.

Potential game-changer

The march toward final approval of the facility has been an arduous five-year venture involving many local, county, state and national partners.

Red Rock's development is a potential game-changer economically for the region, beyond direct tax and payout incentives to Lake County and the Town of Lakeview but also indirectly as well. With a local population of approximately 2,000, the combination of new full-time jobs to be offered by Red Rock in addition to other new businesses targeting Lakeview or already in development creates a situation where the available workforce may not be sufficient to meet demand.

"The positive economic impact will be incredibly high, and new families will be coming to the community because our workforce most likely can't fill all of the positions," said Lake County Commissioner Dan Shoun. "I hope that everyone who is employable can get a job of their choosing, but the reality is the demand will be higher than the supply. That will put a demand on housing and every service we have — these are all positive things, but they're real."

Construction jobs, too

Over the next two years Lakeview may see an influx of workers, as many as 600 to build the facility, according to Shoun, on par with a brief economic boom and housing demand previously experienced in the community during the Ruby Pipeline's construction. Shoun anticipates that local hotels, RV parks and rentals will be at capacity, while a building boom may commence to provide additional housing for incoming families to work for Red Rock. Complimenting the pending job boom in rural Southern Oregon is the development for several years of the Innovation and Learning Center (ILC), a partnership between Klamath Community College and Lake County School District 7 and other partners to develop a satellite campus for higher education and job training pursuits.

Classrooms are remotely linked between the KCC campus and classrooms in Lake County to provide college credit coursework and vocational opportunities, which may prove vital in training for jobs soon to be available through Red Rock Biofuels. Infrastructure investment is planned by both Red Rock and Lake County towards improvements to the railroad.

Shoun said that multiple upgrades and significant dollar grants would be pursued to upgrade the rail to handle increased load demands. According to Shoun, revenue increases from annual service fees collected from Red Rock are to be reinvested into regional infrastructure, including natural gas development for existing businesses by tapping into the nearby Ruby Pipeline. It is hoped that natural gas may be offered to residential customers as well. "This is the culmination of many years of work, there is a great sense of satisfaction for all involved to know that



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our strong belief in this project is finally coming to be,” said Shoun. “Tons of people have worked on this. We can’t

overstate how excited we are, and also appreciative of our existing anchor businesses who have stayed with us for decades and weathered tough times.”While agriculture and ranching remain prominent, existing geothermal and solar projects along with development of commercial marijuana grow facilities and proposed massive new solar farms shows drastic shifts in the area’s economic base from its roots in the timber and cattle industries.

At its peak Lakeview had seven full-time sawmills, but at present only one remains active, and it has on several occasions in the past few years temporarily ceased operations due to market conditions and supply surplus. Other major industries in Lakeview include Cornerstone Industrial Minerals, a perlite mining and processing; Collins Pine Sawmill and Pacific Pine Products – a custom wood door manufacturer. “Many people have been involved and responsible for this to have happened,” added Shoun. “We can’t begin to name them all, but they’ve all been key parts of this coming together.”

https://www.heraldandnews.com/news/local_news/red-rock-gets-go-ahead-for-lakeview/article_253409ba-63aa-5c42-becd-ea9ac2711805.html

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