

**BM001-A**  
**“Developing a Biomaterials Industry in North Dakota.”**  
**Submitted by North Dakota Agricultural Experiment Station**  
**Principal Investigator: Dr. F. Larry Leistritz**  
**Request for \$800,000; Total Project Costs ~\$1,700,000**

**Technical Advisor’s comments:**

- Both reviewers give the application a “Funding May Be Considered” rating. The weighted scores are also very close together at 147 and 160.
- Both reviewers note that no published literature is referenced and indicate this makes it difficult to assess the originality and feasibility of the project. One reviewer goes further and states that many of the research objectives are already well studied and well known.
- Both reviewers also note, however, that the project could be valuable in expanding the use of renewable energy, attracting investment, and enhancing the opportunity for bioenergy industry development within North Dakota.
- The matching funding proposed for this particular phase of the project is unclear in the application. In response to my enquiry, the applicant provided supplemental budget information that appears to clarify the situation.
- Both reviewers express concern about the lack of detail and justification given for the MBI subcontract.
- Both reviewers appear to feel that overall there is insufficient information in the application to allow them to make a definite Fund/Do Not Fund recommendation.
- In his clarifying comments, the applicant provides a substantial amount of new information to address the deficiencies noted by the reviewers. Due to time constraints, however, it was not feasible to obtain outside review of this supplemental information.

**Technical Advisor’s recommendation:**

Technical Advisor concurs with the reviewers’ recommendation that “Funding May Be Considered”. While the project’s overall goal of developing and commercializing technologies to produce materials and fuels from biomass feedstock in North Dakota is without a doubt an admirable one, the merits of the proposed approach are much less clear. Both outside reviewers raise questions regarding how the funding will be used. Also, using the applicant’s supplemental budget information and looking at the project from a very broad perspective, \$1.7 million seems like a rather large expenditure to move the project from where it is today (with much of the bench-scale work already finished) to completion of plans and specifications (but not construction) of a pilot plant. Finally, in his earlier work on this project, the applicant concludes, “...at 2005 prices and costs, the biorefinery would be marginally profitable. Anticipated advances in bioprocessing technology would enhance profitability.” (Leistritz et al. 2007). Given these issues, the Council must decide whether the significant funding requested is justified by the value likely to be received. If funding is granted, Technical Advisor recommends that it be contingent upon receiving documentation of firm availability of matching funds as set forth in Policy Section 3.02.