Office of the President March 4, 2008

Members, Board of Trustees:

RENOVATE/EXPAND THE CENTER FOR APPLIED ENERGY RESEARCH

<u>Recommendation</u>: that the Board of Trustees approve the initiation of the renovation and expansion of the Center for Applied Energy Research.

<u>Background</u>: During a special legislative session in August 2007, the Kentucky General Assembly appropriated \$2 million from the General Fund for the Center for Applied Energy Research (CAER). The funds were provided to:

- 1. Upgrade the existing Fischer-Tropsch facility to allow use of modular reactor and downstream processing systems;
- 2. Install biomass gasification and gas cleaning capabilities to study the utilization of biomass in the production of Fischer-Tropsch fuels;
- 3. Develop a biofuels laboratory for production, characterization, and testing of biomass derived fuels, with a focus on biodiesel, bio-oils, and biomass derived Fischer-Tropsch liquids; and
- 4. Expand programs for the capture and utilization of carbon dioxide from coal or biomass electric power generation or Fischer-Tropsch fuel facilities.

Pursuant to the appropriation, this project will renovate and expand the existing CAER facility, creating new space for the processing of minerals and freeing up research lab space in the existing CAER for renovations and improvements.

This project is expected to cost \$2 million, the authorized scope.

Action taken:	☑ Approved	☐ Disapproved	☐ Other —	
Action taken.	☑ Approved	■ Disappioved	- Onlei	