

665 Rodi Road Suite 305 Pittsburgh, PA 15235 Phone: 412.244.0440 Fax: 412.244.9090 www.HMAmembers.org

Uses of Sawmill Residues

The opening learning session of HMA's National Conference and Expo in Fort Worth was a dual presentation addressing, "**Revenue & Profit Centers: Are you Leaving Money on the Floor**?" Charlie Niebling, founding chair of the Biomass Thermal Energy Council, former General Manager of New England Wood Pellet LLC, and Principal of Innovative Natural Resource Solutions LLC, conducted the first half of the session with information regarding, "**Value-Added Uses of Hardwood Sawmill Residues in Bioenergy**."

Mankind has always burned wood for warmth. Why not use hardwood sawmill residue for large scale heat production? Bioenergy markets are lucrative and applications include:

- **Bark** in large-scale industrial boilers for heat/electricity.
- Green chips, Green sawdust, Kiln-dried sawdust, chips, shavings, grindings as Industrial boiler fuel for heat/electricity, Commercial/Institutional heating, Wood pellets, Briquettes and bricks for residential heating

Growth opportunities for use of sawmill residues in heating exist in areas of the country – **Northeast, North-Central, Pacific Northwest** - that experience cold winters and where:

- Electricity is expensive; natural gas distribution is limited; and dependence on heating oil is high.
- A 'healthy' forest products industry is part of the local economy.
- A "wood burning" culture already exists.

And the benefits of biomass use are many. Historically, it has been a less expensive fuel source. By using a local fuel source, fuel dollars stay within the local economy. Using wood biomass supports "energy" independence. It is a renewable fuel. And it supports good forestry and the forest products industry.

Niebling, drawing on his years of experience in the pellet industry, also presented a brief visual tour of the pellet manufacturing process. And for those in attendance entertaining thoughts of entering the pellet business, he provided the following 'Words of Wisdom:"

- Know and secure your wood supply.
- Optimize your facility site and size proximity to wood supply, proximity to market.
- Build a top-notch facility and plan on 1+ years to get operational.
- Anticipate 3 years of market development to get to capacity.
- Diversify your market channels bagged and bulk, specialty retailer and mass merchant, export.
- Take combustible dust seriously!