



PFI

A quarterly newsletter for those wanting to keep abreast of the latest pellet fuels industry news.

The Pellet Fuels Institute (PFI) is a North American trade association promoting energy independence through the efficient use of clean, renewable, densified biomass fuel.

- **August Market Update,**
page 6
- **PFI Board of Directors**
News,
page 8
- **Committee Updates,**
page 11

President's Message

As we draw closer to the end of summer, a few important events are on the horizon. Yes, football season has begun, and the World Series is just around the corner, but that's not what I'm talking about. Far more important to the pellet industry and our association is the beginning of the heating season, and the membership renewal period. You may not often think about it, but the two go hand-in-hand. Because manufacturer dues are tied to annual sales receipts, when the industry suffers, so does PFI's budget. Fortunately, the association has learned to do more with less, cutting expenses in many areas, and looking for other sources of revenue.



Scott Jacobs, PFI President

As far as the upcoming heating season goes, there is some good news. According to an article I recently read on Accuweather.com (<http://www.accuweather.com/en/weather-news/snow-for-i-95-corridor-northeast-winter/69820>), above average snowfall totals are predicted for the Mid-Atlantic states this winter. Above average snowfall is forecast for many of the mountain states, with cooler than normal temperatures predicted in the southeast. The news is not all great, as the upper Midwest and Northwest could see higher temperatures and lower snow amounts than usual. While we all know that predicting the weather days, let alone months, in advance can be a little unreliable, there is science behind it. Much of this long-range forecast is based on the presence and strength of El Nino or La Nina systems. Last year was marked by above average winter temperatures and low precipitation levels in most of the U.S. With a weak-to-moderate El Nino forecast for the remainder of this year, expectations are for a colder and snowier average winter for the majority of the country. Let's hope the colder and snowier side of this forecast holds true and pellet sales follow accordingly.

Dues renewals and new memberships have been strong in 2012. Based on a (relatively) good pellet sales year in 2011, few

continued on page 3

PFI BOARD OF DIRECTORS

Executive Committee

President - Scott Jacobs, Ozark Hardwood Products.
Vice President - Stephen Faehner, American Wood Fibers
Secretary/Treasurer - Derek Nelson, Forest Business Network

Board Members

Harold Arnold, Fram Renewable Fuels
Mike Curci, Indeck Energy Services
Rob Davis, Forest Energy Corporation
Lori Hamer, Hamer Pellet Fuel
Keith Hankins, Pennington Seed
Troy Jamieson, Somerset Pellet Fuel
Davis Lee, Lee Energy Solutions
Ron Leofsky, Allegheny Pellet Corp.
Bruce Lisle, Biofuel Boiler Technologies
Jase Locke, Bliss Industries, LLC
Darrell Robinson, Shaw Resources
Darryl Rose, Energex Pellet Fuel
Bob Sourek, Bear Mountain Forest Products
Jeff Thiessen, Dansons Inc.
John Utter, Lignetics, Inc.
Chris Wiberg, Timber Products Inspection

STAFF

Jennifer Hedrick, Executive Director Email: hedrick@pelletheat.org
Jason Berthiaume, Membership & Government Affairs Associate Email: berthiaume@pelletheat.org
John Crouch, Director of Public Affairs Email: crouch@pelletheat.org

CALENDAR OF EVENTS

Do you have an item for the Calendar of Events? Email it to berthiaume@pelletheat.org

October 2-3, 2012	PA Biomass Energy Association Conference and Expo Holiday Inn Harrisburg East Harrisburg, PA http://www.supportbiomass.org
October 3-4, 2012	RISI North American Forest Products Conference Park Plaza Hotel Boston, MA www.risiinfo.com/events/na_conf
October 7-10, 2012	International Bioenergy Days Minnesota State University Mankato, MN internationalbioenergydays.com
October 16-19, 2012	RETECH 2012 Omni Shoreham Hotel Washington, DC www.retech2012.com

Visit us at
www.twinportstesting.com

More
Than Just
Results

 Fuels
Laboratory

 Biomass
Analysis

 Pellet Quality
Analysis

 Consulting
Services

 Twin Ports Testing Inc.
1301 N 3rd St Superior WI 54880
715-392-7114 800-373-2562

DISCLAIMER

Statements of fact and opinion are the responsibility of the authors submitting articles to PFI and do not imply an opinion on the part of the Directors or membership of PFI. PFI reserves the right to edit text submitted for space purposes. Material may be reproduced by any member or affiliate organization. Non-members are requested to contact the PFI office at (703)522-6778 for permission to reprint any article contacted herein.

President's Message, continued from page 1

companies decreased in dues level, while several moved up to a higher level. In addition, twenty new members have joined PFI in the first eight months of this year, the most since 2009. We are delighted that so many companies see the value in PFI membership.

However, that is not enough. It is up to PFI, as the trade association for our industry, and us as members, to make sure that these companies have a chance to get involved and develop into volunteer leaders and advocates for clean, renewable densified biomass fuel.

So, we have cooler weather forecast and a lot of great first-year members. Does this mean that the pellet industry is making a return to the heady days of '07-'08? Well, I'm no prognosticator, but I doubt it. Sure, oil is routinely over \$90/barrel, frequently topping \$100/barrel, and

propane and heating oil approach record highs nearly every season. But that's just the new normal, along with relatively inexpensive natural gas, at least for now. The Department of Energy's Winter Fuels Outlook will be released in October and will give a comprehensive analysis of the factors that will determine supply and demand for heating fuels the winter. It is a must-read for anyone in the heating fuel business. Be sure to keep an eye on the PFI website or *Pellet Wire* e-mail for PFI's take on the Winter Fuels Outlook after its release.

Here's wishing you a productive and profitable heating season!

Scott Jacobs
pfipresident@pelletheat.org

KICE Industries

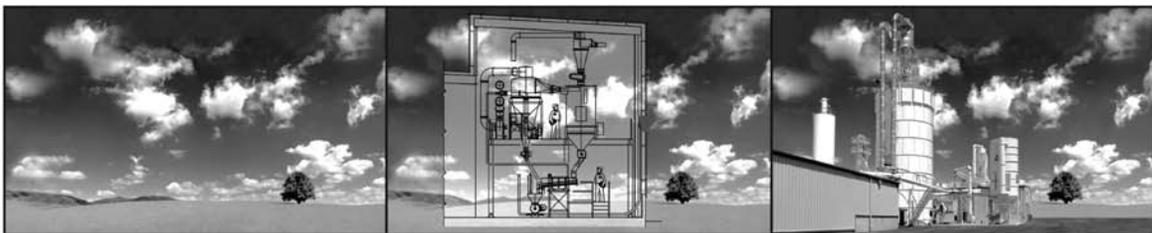


Complete Biofuel System Provider



From The Ground UP:

- Engineering & Design
- System Layout
- Drying & Grinding Equipment
- Pneumatic Systems (conveying & dust control)
- Automation & Controls



Kice Industries, Inc.
5500 N. Mill Heights Drive
Wichita, KS 67219

www.kice.com

e-mail: sales@kice.com
Phone: 316-744-7151
Fax: 316-744-7355

Join PFI at HPBExpo 2013 in Orlando!

Make your plans now to attend the 2013 HPBExpo in Orlando and secure the housing of your choice. Register for your employee badges, make your hotel reservations and book flights and car rentals online at <http://www.hpbexpo.com>. HPBA has again partnered with onPeak, the official housing partner (do not be fooled by other travel companies claiming to be HPBA's official housing service). Through onPeak, HPBA is able to secure the lowest rates, best hotels and the most (complimentary) amenities during your stay in Orlando, exclusive only to HPBExpo guests.

Members must use their unique member ID number that was emailed to all company main contacts on September 1st. Also, be sure to take advantage of the registration dashboard features, such as mySchedule, myExhibitors, Buyer Connect, setting up in-booth appointments with exhibitors prior to the show, invite a colleague and more.

Image of the Issue

Jeff Thiessen (L) of Dansons and Eric Sifferlen of Ensign-Bickford Industries stand next to the pellet grill that Eric won at a giveaway during the PFI Annual Conference.



If you have an image for an upcoming issue, share it with the PFI staff.



Laidig
Bulk Storage and Reclaim Systems

WANT AUTOMATED STORAGE AND UNLOADING OF WOOD CHIPS, DUST, PELLETS OR OTHER WOOD FUEL?



Cone-Bottom Systems
4' to 40' diameter



Flat-Bottom Systems
6' to 131' diameter

Wouldn't it be nice to...

- Have a dependable fuel source?
- Have consistent fuel flow?
- Have potential blending of fuel sources?
- Have additional storage capacity?
- Reduce labor requirements?
- Control dust emissions?
- Enhance employee safety?

Can you afford not to automate?

Laidig Systems, Inc. 14535 Dragoon Trail, Mishawaka, IN 46544
Phone: 574-256-0204 • Fax: 574-256-5575
sales@laidig.com • www.laidig.com



BEL
BIOMASS ENERGY LAB



biomassenergylab.com

GLOBAL LAB SERVICES
International & Domestic Biomass Fuel Markets

ISO 17025 Accredited
for ASTM and CEN/EN Standards



TIMBER PRODUCTS INSPECTION

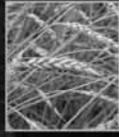
Accredited by the American Lumber Standard Committee as a **Testing Laboratory and an Auditing Agency** for the Pellet Fuels Institute's Densified Biomass Fuel Standards Program.

Quality Inspection and Testing Services since 1969

tpinspection.com

1641 Sigman Road
Conyers GA 30012

218-461-2579



BIOMASS PROCESSING with BLISS.

Bliss Industries, LLC is a leading manufacturer of wood and biomass pelleting equipment for residential, commercial and industrial pellet fuel. Founded in 1981, Bliss Industries maintains a reputation of manufacturing the most efficient, reliable and well-built equipment in the industry. Developed from a design concept proven worldwide, the range of Pioneer Pellet Mills continues to expand. Overall reliability, maximum efficiency, ease of operation and maintenance combine to provide lower operating costs to each owner. With the ability to provide a wide range of die sizes, die speeds and drive power, Bliss can more than meet your requirements for high quality at a reasonable cost.

Bliss also manufactures an extensive line of hammermills for biomass size reduction and processing.



**Proudly
Manufactured in the USA**



Impacting Industries Worldwide.

Bliss Industries, LLC

P.O. Box 910 • Ponca City, Oklahoma U.S.A. 74602

Phone (580) 765-7787 • Fax (580) 762-0111

Internet: <http://www.bliss-industries.com>

E-mail: sales@bliss-industries.com

August 2012 MARKET UPDATE

Producer Comments:

"Raw material costs are high with many trying to get the limited volume available." –Northeast

"Buyers are waiting to place orders." –Midwest

"Lot of sawdust and pellets. Need cold weather and customers." -Northwest & Mountain

"Even after record heat, shipments have been good. Hope it continues through the fall."

–Northwest & Mountain

WOOD PELLETS

(average price per ton, medium to large wholesale customer, FOB plant)

United States:

Northeast: \$151-190 range. Most manufacturers anticipate an upward price trend and report sufficient raw material availability.

Midwest: \$125-164 range. Manufacturers report sufficient raw material availability.

Southeast: \$125-140 range. Manufacturers report sufficient raw material availability. Most report being ahead of last year, in terms of tons sold.

Northwest & Mountain: \$145-165 range. Manufacturers report good sales volumes and being ahead of last year, in terms of tons sold.

From hand bagging to full automation...

HAMER has it ALL!

- *Innovative engineering*
- *Easy to run, easy to maintain*
- *Friendly, knowledgeable and responsive technical support*

Fanuc Robotic Palletizing Systems

Hamer Model 600NW

Model 600NW Bagging Scale

Hamer Model 2090

Model 2090 Form Fill & Seal

Profit in the Bag™
www.hamerinc.com

Call for details: **800.927.4674**

Hamer

LLC

AUTOMATED PACKAGING SYSTEMS

ALL NEW MODEL 2090

© 2009 Hamer, LLC. All rights reserved.

ONE Partner for Your Pelleting Process

When you need consistent, durable equipment for your pelleting process, look to your partner in productivity: CPM.

- The industry's highest-tip-speed hammermill
- Exclusive pellet mill gear drive train—the most efficient in the industry
- High-performance, low-maintenance cooler



800-428-0846 | WWW.CPM.NET

 @CPMRoskamp  CPM Roskamp Champion

PFI Board of Directors News

By: Jennifer Hedrick, PFI Executive Director
hedrick@pelletheat.org

It was great to see so many of you in Mashantucket, CT at the PFI Annual Conference in July. If you weren't able to join us, be sure to read the summary by Conference Committee co-chairs Stephen Faehner and Troy Jamieson found on page fourteen. Stephen and Troy and the members of the committee are to be commended for assembling a four-star conference program, featuring many of our industry's leading thinkers and advocates. The committee continues to strive to bring in experts across the industry to provide top notch education and timely information, with a focus on real issues impacting the industry and the everyday needs of members.

At the conference, the 2011-2012 Board of Directors met for the final time on July 29th. The Board is keenly focused on the continued growth and development of the association. Membership Committee Chair Richard Thomas reported that PFI has 20 new members in 2012, the largest class of new members in four years, bringing the association to 101 total members. The Board and Membership Committee continue to focus on attracting more members of the industry to PFI and ensuring that current members are provided with greater benefits that assist with their business needs.

The Board is looking outward, maintaining its emphasis on the residential pellet market while pursuing opportunities with the broader industry. At its meeting the Board agreed on the following:

- Expanding the focus of the association by looking more broadly at the commercial/industrial and export pieces of the industry. To that end, the Commercial Fuel Committee has been renamed the Export and Domestic Bulk Fuel Committee.
- Expanding collaborative efforts with outside partners, be it media outlets, government agencies, and other associations including the Wood Pellet Association of Canada.
- Capitalizing on opportunities to use grants to bolster the association's services and create opportunities for members.

The 2012-2013 Board of Directors had its inaugural meeting in Connecticut, electing officers and welcoming two new members to the Board, Jase Locke of Bliss Industries and Chris Wiberg of Timber Products Inspection. The officers for 2012-2013 are: Scott Jacobs (Ozark Hardwood Products), President; Stephen Faehner (American Wood Fibers), Vice President; and Derek Nelson (Forest Business Network), Secretary/Treasurer.

A note of special thanks to outgoing Board members Richard Thomas of Courtland Hearth & Hardware and Dan Henry of 5G3 Consulting, for their years of service to the PFI Board and continued commitment to PFI through their leadership and service on PFI committees.

The 2012-2013 Board will meet again in October, focusing on budgeting and planning for the year ahead. We'll be sure to keep you tuned in to key developments from that meeting. For more information on the PFI Board, see the PFI website:
<http://pelletheat.org/about-us/board-of-directors/>.



Rethceif Packaging

AUTOMATED PACKAGING SOLUTIONS

WOOD PACKAGING TRIFECTA

EXPERIENCE THE RETHCEIF DIFFERENCE



◆ PELLETS



◆ CHIPS



◆ SHAVINGS

420 Industrial Parkway, Ossian, IN 46777 | Phone: 260-622-7200 | Toll Free: 866-298-1876 | Fax: 260-622-7220 | www.rethceif.com | info@rethceif.com

Prevent Fires and Explosions with

◀ FLAMEX®

336.299.2933
www.sparkdetection.com

◀ FM ▶

**FLAMEX® systems can
be customized to address the
fire hazards inherent in your process:**

Spark Detection & Suppression
to eliminate sparks emanating
from rotary dryers and
hammermills.

**Automatic & Manual Deluge
Systems** for dust collectors,
bins and silos.

"Hot Particle" Detectors
to detect overheated pellets
from pelletizers and coolers.

**High Speed Abort Gates
and Backdraft Dampers**
for material handling and
clean air ducting.

Let us help you lower risks, increase productivity and comply with regulations.



BACKSAVER

Easy-Haul Apron



Backsaver is ergonomic. Weight of the load is centered on your body and distributed between arms and shoulders. Super-durable nylon polyester. Weatherproof, washable, won't rot or mildew. **MADE IN USA.**

CONDAR CO. Columbus, North Carolina
Mike Whitt (828) 894-8383 ext. 228, M-F 8-5 ET

CONDAR.COM/BACKSAVER



PFI Committee Updates

Government Affairs Committee

The House and Senate recently completed their August recess, with each party holding its convention and formally nominating their presidential candidate. While all eyes are on the election, the remainder of the year, including the post-election lame duck session of Congress, promises to be busy. As all House seats and 33 Senate seats are up for election November 6, most Members of Congress are in full campaign mode reaching out to constituents and visiting facilities of job creators in their districts and states. We encourage those members that have not done so to take a moment and email or call your Senators and House members to set up a time for even a brief meeting while they are back in the state. Please do not hesitate to contact us if you would like assistance in contacting your Congressional delegation. The more our elected officials see firsthand what we do and the benefits we are delivering to the economy and the environment, the better positioned we will be in securing their help in advancing policies at the federal level that will help us move the market for densified biomass fuel.

DOD Meetings

We continue our dialogue with personnel in the various service branches to discuss opportunities for densified biomass fuel/biomass heating systems to contribute toward the Department of Defense's renewable energy goal of using 25 percent of the total energy load from renewable sources by 2025. Recently, we met with the Director of Operational Energy for the Navy where we made the business case for converting old, inefficient Navy buildings or entire installations that may currently be held captive to high priced fossil fuel to clean burning biomass. Staff was particularly receptive to the fact that biomass conversion to thermal energy is the most efficient use of the resource, compared to conversion to electricity or transportation fuels. The Navy's emphasis is clearly on drop-in fuels

that require little or no modification of existing equipment. They recognized, however, that for land installations there really is not a "drop-in" fuel that can replace fuel oil, for example. The systems that burn pellets are not compatible with oil boilers and vice versa. We also discussed the concept of a PFI-lead pilot project on a Navy base in which buildings and/or complexes are converted to biomass systems for heat. Such a project would demonstrate not only the technological capability of the systems, but their fuel savings potential as well. This conversation led to discussion of an Energy Savings Performance Contract or ESPC, which would allow the Navy to undertake energy savings projects without up-front capital costs and without special Congressional appropriations. This instrument has become very popular and is frequently the topic of discussions at renewable energy procurement conferences. The ESCO or Energy Service Company develops, installs, and funds projects designed to improve energy efficiency and reduce operation and maintenance costs for the government facility. ESCOs generally act as project developers and assume the technical and performance risk associated with the project, with compensation directly linked to the cost savings from energy actually saved.

The primary deliverable from this meeting is that we were provided with several additional names and offices to visit within the Navy hierarchy, including the head of the Naval Facilities Engineering Command or NAVFAC.

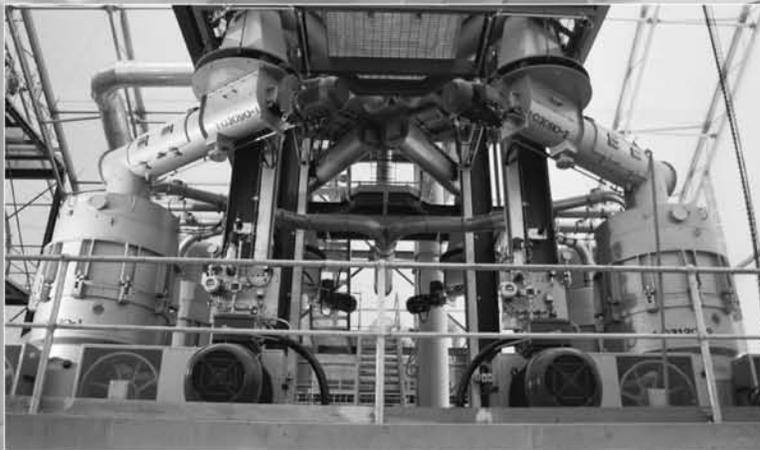
Extenders

In early August, the Senate Finance Committee passed a framework proposal extending a number of expired or expiring tax provisions. The vote was 19-5. On the Sec. 25c piece where our \$300 stove credit is embedded, the Committee voted to simply extend the provision for two years--from date of expiration (1/1/12) through 2013. There were no changes made to the tax credit levels. We do not expect to see any action/movement on a tax extenders bill in the House until after the election.

continued on page 14

KAHL Wood Pelleting Plants

Energy-saving



Quality worldwide.



AMANDUS KAHL USA Corporation · 380 Winkler Drive, Suite 400, Alpharetta · GA 30004-0736
Phone: 770-521-1021 · Fax: 770-521-1022 · sales@amanduskahlusa.com

AMANDUS KAHL GmbH & Co. KG · SARJ Equipment Corp., Mr. Rick B. MacArthur · 29 Golfview Blvd., Bradford, Ontario L3Z 2A6
Phone: 001-905-778-0073 · Fax: 001-905-778-9613 · rbmacarthur@sympatico.ca · www.akahl.us

Firefly - Second to none!



The latest technology to prevent
fire and dust explosions



North American representation +1 (620) 205-9730
www.firefly.se



Biofuel Processing from WSM World Class – World Wide



**Screening,
Cleaning, and
Milling Solutions**
Biomass Processing
Fuel & Fiber Prep
Wood Energy
Wood Pellets
Ag Fiber Systems



West Salem Machinery
www.westsalem.com

Farm Bill

In late July, the House was poised to consider legislation—H.R. 6228—that would have extended the existing Farm Bill for one year. By simply adjusting the expiration date back, the bill would have authorized the Community Wood Energy Program at its current level—\$5 million—instead of the \$2 million that is now in the House Agriculture Committee-passed bill.

Other provisions in H.R. 6228 would have altered authorized funding levels for priority programs such as the Bioenergy for Advanced Biofuels producer payment program and REAP. Both programs would not have received mandatory money but were authorized at \$50 million and \$45 million, respectively.

Although the bill was calendared for consideration, House leadership pulled it off the floor after it became clear that the votes were not there to pass the measure. The House voted instead on an agricultural drought relief package.

The timing for consideration of a Farm Bill is unclear. Farm Bill programs expire on September 30, however there does not seem to be a consensus at this point among House leadership on how to proceed prior to the election.

Appropriations/Community Wood Energy Program

Although many of the 12 annual appropriations bills have been crafted and considered in committee, the Senate's Interior-Environment Appropriations bill (where Forest Service spending is prescribed) has not been fully developed and brought before the Senate Appropriations Committee. We met with Senate Appropriations Committee staff this week to advocate for full Community Wood Energy Program appropriations. We also signaled to staff that we would be sending a letter articulating the value of this program and the economic and environmental benefits it could deliver for rural communities.

PFI continues to be active in monitoring

legislation and rulemaking, and meeting with key lawmakers and agency officials. Regardless of which way the election goes, the next few months will be key in setting the agenda moving forward.

Though August is traditionally a quiet month in Washington, the buzz of activity leading up to November's election is constant. PFI has reached out to staffs of both presidential candidates to encourage them to incorporate visits to pellet mills in their itineraries, particularly as they pass through swing states.

PFI has been monitoring both President Obama's and Governor Romney's proposals for energy and tax policy and their potential impact on our industry, and will plan to take advantage of the lame duck session post-election to meet with leaders on Capitol Hill.

Bruce Lisle and Derek Nelson, Government Affairs Committee Co-chairs

Conference Committee Update

After several years exploring several notable resorts in the Southeast, the 2012 PFI Annual Conference at Foxwoods Resort & Casino in Mashantucket, CT signaled a return to the Northeast for the first time since PFI's conference in Niagara Falls in 2004. The old saying that absence makes the heart grow fonder didn't necessarily apply, as our attendance was just over 200 people this year, down slightly from 2011. We were thrilled to have a strong lineup of speakers and engaging topics, with one of our highlights being Christiane Egger with O.O. Energiesparverband in Upper Austria, who provided us a glimpse of what is possible given the right mix of incentives, public policy, and consumer education. As Christiane likes to say, you must have all three: "the carrot, the stick, and the tambourine."

We continued to receive nice response regarding the entire program and our speakers. As with past conferences we continue to focus on pellet plant safety, developing new alternative

continued on page 15

Committee Updates, continued from page 14

markets, and government affairs to further develop and grow our industry. For the second year we actively solicited speakers in the spring which helps provide quality content on relevant topics. We encourage everyone to send us suggestions for future topics or speakers so that our program stays as relevant as possible. You can find all of our presentations from our 2012 Conference at the PFI website: www.pelletheat.org.

While we didn't set attendance records and Foxwoods we were still pleased to have attendees representing 125 companies, making this conference a successful event and one of the most widely represented of industry to date. We had 16 great sponsors and 39 exhibitors, many of which consistently support our membership and find the conference a great chance to reconnect with customers. (Incidentally many of them also sponsor this newsletter, which we greatly appreciate.) While Foxwoods Resort & Casino provided many options for your attention we kept folks busy on Sunday with our Annual Golf Outing at the Lake of the Isles Golf Club or Sailing on the Schooner Argia in Mystic, CT. We were also successful in holding our Monday evening dinner OUTDOORS for the first time in many years. Thanks to Louisiana Grills and Fireside Supply (a local retailer) for providing the pellet grills, which gave many a first time glimpse of a wonderful technology and another alternative market we need to grow.

The Conference Committee is already working on our programs for 2013, including the PFI membership event at the HPBExpo in Orlando in March and our 2013 PFI Conference, July 28-30, 2013 back at The Grove Park Inn in Asheville, NC. We welcome your feedback, encourage you to join the PFI Conference Committee, and look forward to serving the PFI members and provide another great year of networking events, educational opportunities, and social interaction. Remember to visit the PFI website www.pelletheat.org to find all the presentations from our 2012 Conference.

*Stephen Faehner and Troy Jamieson,
Conference Committee Co-chairs*

Standards Committee

Being the first issue since the PFI Conference in Connecticut, current updates relate to conference activities including the PFI Board of Directors meeting, the standards presentation provided for retailers and the two-hour Standards Symposium. There were many items discussed with the PFI Board of Directors, however the key issue at hand is determining how the program will be modified in the future. Several producers have come forward with ideas regarding ways to improve the program. However, there is currently no process in place by which changes can be made. This will likely include a consensus-based approach through an ANSI approved Standards Development Organization. We are still in the early stages of developing this process. However, it is currently the most pressing issue facing the Standards Committee.

As for conference and post-conference presentations, the standards presentation provided for retailers was geared towards public understanding from a retailer's perspective and the 2-hour symposium immediately following the PFI conference focused on implementation at the production site. Both events provided conference attendees the opportunity to learn more about the program and were intended to help advance the general understanding of the program as well as components required for implementation. All pieces are now in place and we are waiting for producers to sign on.

The Standards Committee has four new members to announce for 2013: Jeff Thiessen of Dansons, Ron Leofsky of Allegheny Pellet Corp., Kyle Morgeneegg of Hearth & Home Technologies and John Utter of Lignetics.

*Chris Wiberg and Bob Sourek, Standards
Committee Co-chairs*

Palletize



Protect

Mollers Palletizing Systems Provide:

- Bag Flattening
- 4-Sided Layer Squaring
- Top Layer Compression
- Operational Flexibility
- A Nicely Cubed Final Load

Mollers Stretch-Hooding and Shrinkwrapping Systems Provide:

- 5-Sided Protection for Outside Storage
- Faster Application Rate Than Stretchwrap
- Improved Load Unitization
- No Unraveling During Distribution
- Printable Film For Your Logo

For nearly 60 years, Mollers has specialized in engineering bag and unit load handling systems for companies all over the world. You can see our quality and experience in every load we build. We offer a complete line of conventional and robotic palletizers, as well as both stretch-hooding and shrinkwrapping systems. For more information, visit our website or call 616-942-6504.

mollers

Made in USA for over 30 years

North America, Inc.

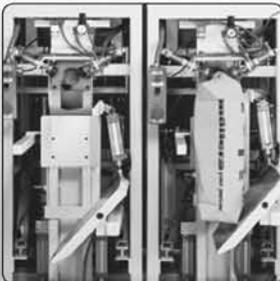
5215 52nd Street, SE • Grand Rapids, Michigan • USA 49512

Phone 616/942-6504 • Fax 616/942-8825 • mollersna@mollersna.com • www.mollersna.com

Complete Systems from One Source

Mollers North America offers Valve Bag Packers and Placers, Conventional and Robotic Palletizing Options and Stretch-Hooding and Shrinkwrapping Systems for load protection and unitization.

Pack



Automatic placement and filling of valve bags

Palletize



Automatic palletizing of up to 3,000 bags per hour

Protect



5-sided protection with superior load unitization



Total System Responsibility:

**Design
Engineer
Fabricate
Service**

Reliable. Consistent. Quality.



Call today to learn more about M-E-C Industrial Dryer Systems.

1402 W. Main | Neodesha, Kansas 66757 USA | 620.325.2673 | www.m-e-c.com



Biomass Pellet and Briquetting Plants

Entire Process from Raw Materials to Finished Product

- Plant Design
- Energy Systems
- Process Controls
- Dryer Systems
- Plant Commissioning
- Densification
- Field Service
- Materials handling

SOLAGEN[®]

(503) 366-4210 www.SolaGenInc.com

Serving the Biomass Industry Since 1985

Reduce Your Costs

IBL Grease Tote



A DANSONS COMPANY

We can help you reduce your production costs; wear parts, labor, and lubricants, and increase your profit on every day of production.

- ▶ Increase the life of your bearings
- ▶ Decrease grease consumption
- ▶ We provide our refillable grease tote at no cost!
- ▶ Free delivery and filling of totes

Each tote holds 12 drums or 4800 pounds of grease.
We offer a full line of premium high temperature greases.
We provide the complete grease setup.

Contact Industrial Bulk Lubricants at 877-303-3134

Study Highlights Cost Savings of Biomass Use

By: Annie Wilson

In a recently published study in *Environmental Science and Technology*, a team of researchers from Penn State, USDA's Agricultural Research Service (ARS) and Drexel University has identified the potential for billions of dollars in cost savings to the Northeastern consumer by offsetting fuel oil with densified biomass.

While the study focuses on switchgrass, its results can be extended to other forms of biomass, as well, says study author Tom Wilson. "We focused on switchgrass largely due to data availability, but the emissions reductions and cost savings apply to woody biomass, as well."

One of the main reasons biomass has not become a more widely used alternative to fossil fuels is because biomass has a lower energy content per unit of volume than fossil fuels. This means there must be much larger volumes of biomass to produce the same energy output relative to fossil fuels, which raises the cost of transportation and storage per unit of energy. By densifying biomass, many of these challenges are overcome.

The study evaluates several densified products. Biomass can be densified into different products depending on the market: smaller sizes, pellets, are for residential use and larger sizes, cubes and briquettes, are for commercial use in large boilers.

Using supply projections from the US Department of Energy's Billion Ton Study, the authors find that there will be enough sustainably harvested biomass to offset all heating oil consumption in the Northeast by 2020. By off-

setting over 5 billion gallons of heating oil with densified biomass, the Northeastern consumer would save between \$2.3 – 3.9 billion annually. This amount accounts for direct cost savings, only, and does not take into account the substantial indirect benefits that would accrue from profit and jobs throughout the supply chain, as biomass must be locally harvested and processed. "Some businesses are recognizing these cost savings in the market place and switching from fuel oil to biomass pellets," says study co-author and USDA-ARS scientist Paul Adler.

In addition to substantial cost savings, the potential for greenhouse gas (GHG) reductions is large, as well. Heating oil accounts for 5% of all GHG emissions in the region. While offsetting electricity with biomass yields similar GHG reductions, these reductions come at an exceedingly high cost. Relative to cellulosic ethanol, the other oft-discussed destination of biomass supplies, every ton of biomass that is used to offset fuel oil in heating applications offsets more than twice as much petroleum. "Space heating markets in the U.S. Northeast have the potential to significantly address climate change and energy security through regionally-supplied biomass with a substantial cost savings to consumers. One could call this a triple-bottom line achievement" says study co-author Sabrina Spatari of Drexel University. However, policy changes are necessary in order for these benefits to become a reality. Current renewable portfolio standards (RPS) will drive limited biomass supplies into electricity generation.

Using the same biomass to replace coal used in electricity generation would cost the consumer an additional \$7.7 billion annually, since coal costs less per unit energy than biomass. Adding this value to cost savings over fuel oil, the authors find that, unless significant

Cost savings of Biomass, continued from page 18
changes are made to RPS structure, the net cost to the consumer is more than \$10 billion per year. By adapting policy to directly reward the intended RPS objectives of GHG emissions reductions and reduced reliance on foreign sources of energy, the true value of this locally produced renewable fuel can be unlocked. “This is a good example of the unintended consequences of current energy policy, and policy should be changed to allow biomass to find a better use than replacing coal in electricity

generation,” says study co-author and economist Dave Abler.

For more information about the study see <http://pubs.acs.org/doi/abs/10.1021/es202752b> or contact:

Paul R. Adler
Research Agronomist
USDA-Agricultural Research Service
(814) 865-8894
paul.adler@ars.usda.gov

2012 PFI Annual Conference Photos

(courtesy of Rashid Shakir, American Wood Fibers)



Stephen Faehner, PFI Vice President, addresses attendees at the conference



Frank (L) and Matt Scorzetti man the Trinity Packaging booth in the exhibit hall



Jeremy Crandall, from the office of MD Delegate Heather Mizeur, discusses biomass in Maryland



PFI staffers Jason Berthiaume and Victoria Iwurah outside Inferno Wood Pellet in Rumford, RI



“Reliable equipment means undeniable performance.”

At Premier Tech, we believe reliability brings performance. With fewer downtimes, consistent production rate and low maintenance, our packaging systems help several wood pellet producers achieve their production goals on a day-to-day basis.



Up to 35 BPM
FFS Bagging Systems (FFS-200)



Up to 28 BPM
Robotic Palletizer (AR-200)



Up to 110 LPH
Stretch Hooder (LH-400)



Complete bag packaging solutions

Weighing & Feeding Systems | Manual Bagging Systems
Form-Fill-Seal Bagging Systems | Palletizing Systems
Stretch Wrapping/Hooding Systems

PFI Fuel Manufacturer Members

Company	Contact	Location	Phone	Website
Allegheny Pellet Corporation	Ron Leofsky	Youngsville, PA	(814)563-4358	www.woodpelletfuels.com
American Wood Fibers	Rich Whiting	Columbia, MD	(410)290-8700	www.awf.com
Appalachian Wood Pellets, Inc.	Don Wagner	Kingwood, WV	(304)329-4000	www.appalachianwoodpellets.com
Bear Mountain Forest Products Inc.	Bob Sourek	Cascade Locks, OR	(541)374-8844	www.bmfp.com
Cottles Island Lumber Co. Ltd.	Andy Philpott	Summerford, NF	(709)629-7565	www.cottles.ca
Curran Renewable Energy, LLC	Patrick Curran	Massena, NY	(315)769-5970	www.curranpellets.com
Dansons Inc.	Jeff Thiessen	Edmonton, AB	(780)455-5377	www.dansons.com
Dejno's Inc.	Mike Auch	Kenosha, WI	(262)657-1210	www.dejnos.com
Easy Heat Wood Pellets	Sam McAdow, Jr.	S. Charleston, OH	(800)782-7517	www.easyheatpellets.com
Energex Pellet Fuel, Inc	Darryl Rose	Mifflintown, PA	(717)436-0015	www.energex.com
Energex Pellet Fuel, Inc.	Max Beraud	Lac-Megantic, QC	(819)583-5131	www.energex.com
Fiber By-Products, Corp.	Cory Schrock	White Pigeon, MI	(269)483-0066	www.fiberby-products.com
Fiber Energy Products AR, LLC	Stephen DeVoe, Sr.	Mountain View, AR	(870)269-7930	www.fiberenergyproducts.us
Fiber Resources / BBQ's Delight	Steve Holland	Pine Bluff, AR	(870)535-1759	www.heatresource.com
Forest Energy Corporation	Mike Lundy	Show Low, AZ	(928)537-1647	www.forestenergy.com
Fram Renewable Fuels, LLC	Harold Arnold	Richmond Hill, GA	(912)459-4140	www.framfuels.com
Fulghum Graanul, LLC	John Bradley	Augusta, GA	(706)651-1000	www.fulghumfibrefuels.com
Georgia Biomass	Ken Ciarletta	Waycross, GA	(912)490-5293	www.gabiomass.com
Hamer Pellet Fuel Co.	Lori Hamer	Kenova, WV	(304)453-6381	www.hamerpellet.com
Hassell & Hughes Lumber Company	Jonathan Littlejohn	Collinwood, TN	(931)724-9191	www.greenwaypellets.com
Henry County Hardwoods	John Neese	Paris, TN	(731)642-4181	
Indeck Energy Services, Inc.	Mike Curci	Buffalo Grove, IL	(847)520-3212	www.indeck-energy.com
Inferno Wood Pellet Inc.	Gilbert Lopes	Taunton, MA	(508)824-4834	www.infernowoodpellet.com
JF Rohrbaugh Co., Inc.	Michael Smith	Hanover, PA	(717)632-4353	www.jfrohrbaugh.com
Kirtland Products	Tom Monley	Holland, MI	(231)582-7505	www.kirtlandproducts.com
Koetter and Smith, Inc.	Nathan Smith	Borden, IN	(812)923-5111	www.koetersmith.com
Lee Energy Solutions	Davis Lee, Sr.	Crossville, AL	(256)528-7290	http://leeenergysolutions.com/
Lignetics of West Virginia, Inc	John Utter	Glenville, WV	(304)462-4848	www.lignetics.com
Lignetics, Inc.	Kenneth Tucker	Sandpoint, ID	(208)263-0564	www.lignetics.com
Maine Woods Pellet Co LLC	Bob Linkletter	Athens, ME	(207)654-2237	www.mainewoodspelletco.com
Michigan Wood Fuels LLC	Robert Oswald	Holland, MI	(616)355-4955	www.mipellets.com
Nature's Earth Pellet Energy LLC	Jana Simard	West Palm Bch, FL	(561)688-7393	www.freedomfuelusa.net
North Idaho Energy Logs	Clark Fairchild	Moyie Springs, ID	(877)564-4897	www.northidahoenergylogs.com
O'Malley Timber Products, LLC	Matt O'Malley	Tappahannock, VA	(804)445-1118	www.omalleywoodpellets.com
Ozark Hardwood Products, LLC	Scott Jacobs	Seymour, MO	(417)935-9663	www.ozarkhardwoodproducts.com
Pellheat Inc.	Peter Skrgic	Greensburg, PA	(724)850-8169	
Pennington Seed Inc.	Keith Hankins	Greenfield, MO	(417)637-5978	www.penningtonseed.com
Shaw Resources	Darrell Robinson	Shubenacadie, NS	(902)758-2095	www.shawresources.ca
Somerset Pellet Fuel	Troy Jamieson	Somerset, KY	(606)678-2842	www.somersetpelletfuel.com
Southern Indiana Hardwoods, Inc.	Gene Merkle	Huntingburg, IN	(812)326-2053	www.sihlumb.com
Southern Kentucky Hardwood Flooring	Blake Gerughty	Gamaliel, KY	(270)457-3618	
Spearfish Pellet Company	Everett Follette	Spearfish, SD	(605)642-2363	
Turman Hardwood Pellets	Ruth Elliott	Fredericksburg, VA	(540)287-2976	
Varn Wood Products	George Varn	Hoboken, GA	(912)458-2187	
Westervelt Renewable Energy	Mike Williams	Tuscaloosa, AL	(205)562-5670	www.westerveltenergy.com
West Oregon Wood Products, Inc.	Christopher Sharron	Columbia City, OR	(503)397-6707	www.wowpellets.com
Wood Fuel Developers, LLC	Steven Gordon	Chester, VA	(804)414-1101	www.woodfueldevelopers.com

PFI Associate & Supplier Members

Company	Contact	Location	Phone	Website
AgriRecycle, Inc.	Mike Ferguson	Bolivar, MO	(417)872-9175	www.agrirecycle.com
Amandus Kahl USA Corporation	Martin Johnson	Alpharetta, GA	(770)521-1021	www.akahl.us
Andritz, Inc.	Scott Shuman	Muncy, PA	(724)941-1416	www.andritzsproutbauer.com
Biofuel Boiler Technologies, LLC	Bruce Lisle	Mifflintown, PA	(717)436-9300	www.thebiomassboiler.com
Biomass Commodities Corporation	Averill Cook	Williamstown, MA	(413)458-5326	www.biomasscommodities.com
Biomass Thermal Energy Council	Joe Seymour	Washington, DC	(202)596-3974	www.biomassthermal.org
Bliss Industries, LLC	Chad Cook	Ponca City, OK	(580)765-7787	www.bliss-industries.com
BM & M Screening Solutions	Collin Jackson	Surrey, BC	(800)663-0323	www.bmandm.com
Bruks Rockwood Inc.	Steve Bennett	Alpharetta, GA	(678)994-0024	www.bruks.com
Buhler Inc.	Sven Lessmann	Plymouth, MN	(763)847-9900	www.buhlergroup.com
Bulldog Bag Ltd.	Neil Davies	Richmond, BC	(604)273-8021	www.bulldogbag.com
California Pellet Mill	Ron Fuller	Waterloo, IA	(319)232-8444	www.cpmroskamp.com
Certified Laboratories	Jim Rodgers	Irving, TX	(800)527-7850	www.certifiedlabs.com
Chantland MHS	Steve Hartmann	Humboldt, IA	(515)332-4045	www.chantland.com
Choctaw Cty Econ. Dev. Foundation	Nick Walters	Ackerman, MS	(662)285-3778	www.choctawcountymys.com
Coastal Equipment Sales	Bill Moran	Flerming Island, FL	(904)213-8019	www.coastalequipmentsales.com
Continental Biomass Industries	Ed Donovan	Newton, NH	(603)382-0556	www.cbi-inc.com
Conveying Industries	Bill Friday	Denver, CO	(877)600-4874	www.conveyind.com
CSX Transportation	John Murray	Jacksonville, FL	(904)366-4396	www.csx.com
Dorssers Inc.	Peter Timmermans	Blenheim, ON	(519)676-8113	www.dorssers.com
Evergreen Engineering	Aaron Edwards	Eugene, OR	(541)484-4771	www.evergreenengineering.com
Firefly AB	Ryan Morrow	Stockholm, SE	(468)449-2500	www.firefly.se
FLAMEX Inc.	Allen Wagoner	Greensboro, NC	(336)299-2933	www.flamexinc.com
Forest Business Network LLC	Craig Rawlings	Missoula, MT	(406)240-0300	www.forestbusinessnetwork.com
Grandeg Bio Pellet Boiler Mfrg.	Andris Lubins	Riga, Latvia	(371)671-85959	www.grandeg.com
Hershey Equipment Co., Inc.	Richard Hyde	Lancaster, PA	(314)378-2693	http://hequip.com/
Jacobs Corporation	Charles Hoffnagle	Harlan, IA	(712)755-3131	www.jacobscorp.com
Kesco, Inc.	Jason Kessler	Fort Mill, SC	(803)802-1718	www.kescosolutions.com
Kice Industries, Inc.	Jeff Kice	Wichita, KS	(316)744-7151	www.kice.com
Laidig Systems, Inc.	Mike Schuster	Mishawaka, IN	(574)256-0204 X236	www.laidig.com
Larson Engineering, Inc.	Paul Douglas	Norcross, GA	(770)279-6010	www.larsonenr.com
LM Machinery and Equipment LLC	Wladimir Labeikovskiy	Pittsburgh, PA	(412)608-8528	http://www.lm-machinery.net
M-E-C Company	Gary Follmer	Neodesha, KS	(620)325-2673	www.m-e-c.com
MoistTech	Adrian Fordham	Moorpark, CA	(805)378-1160	www.moisttech.com
Mollers North America	Tom Wagner	Grand Rapids, MI	(616)942-6504	www.mollersna.com
MVTL Laboratories	Jeff Reiser	Bismarck, ND	(701)258-9720	www.mvtl.com
Northeast Lumber Manufacturers Assoc.	Jeff Easterling	Cumberland, ME	(207)829-6901	
Pacific Lumber Inspection Bureau	Jeff Fantozzi	Federal Way, WA	(253)835-3344	www.plib.org
Package Research Laboratory	David Dixon	Rockaway, NJ	(973)627-4405	www.package-testing.com
Premier Tech Chronos	Francois Kirouac	Riviere-du-Loup, QC	(418) 868-8324	www.ptchronos.com
Price LogPro, LLC	Josh Krauss	Hot Springs, AR	(800)286-7803	www.logprollc.com
Primary Packaging Inc.	Bill Habeck	Bolivar, OH	(800)774-2247	www.primarypackaging.com
Process and Storage Solutions	Donald Land	Rainsville, AL	(256)638-1838	www.processandstorage.com
Prodesa North America Corporation	Jose Ignacio Pedrajas	Alpharetta, GA	(770)-849-0100	www.prodesa.net
Rethceif Packaging	Tim Fiechter	Ossian, IN	(260)622-7200	www.rethceif.com
RISI	Seth Walker	Bedford, MA	(866)271-8525	www.risi.com
Rotochopper, Inc.	Monte Hight	St. Martin, MN	(320)548-3586	www.rotachopper.com
Solagen Incorporated	Francis Sharron	Deer Island, OR	(503)366-4210	www.solageninc.com
Thomas Enterprises Inc.	Tom Weihe	Dublin, OH	(614)793-9432	
Timber Products Inspection	Chris Wiberg	Conyers, GA	(770)922-8000	www.tpinspection.com
Trinity Packaging Corporation	John Ericson	Armonk, NY	(800)999-3970	www.trinitypackaging.com
TS Manufacturing	Riley Smith	Lindsay, ON	(705)324-3762	www.tsman.com
Twin Ports Testing, Inc.	Gregg Patterson	Superior, WI	(715)392-7114	www.twinportstesting.com
University of New Brunswick	Michael Albright	Fredericton, NB	(506)453-4507	www.wstc.unbf.ca
Wood Pellet Association of Canada	Gordon Murray	Revelstoke, BC	(250) 837-8821	www.pellet.org

A hammer blow to your operating costs. The hammer mill Granulex™ is the new dynamic grinding machine from Bühler. Designed for ultimate power, Granulex™ delivers high capacity grinding up to 15 t/h for wood and 75 t/h for biomass. Heavy design and supreme ease of maintenance minimize downtime, so you can make maximum use of this productivity. It's an investment in quality that is sure to show a rapid return – and deliver a hammer blow to your operating costs.

Bühler Inc., PO Box 9497, Minneapolis, MN 55440, 763-847-9900, buhler.minneapolis@buhlergroup.com, www.buhlergroup.com



Granulex™

High capacity hammer mill DFZP.

Powerful 500 hp (400 kW) motor for high capacity grinding.

Large screen area reduces wear of screens and hammers.

Screens and hammers designed for replacement by a single person in less than 30 minutes.

Smooth running sliding doors on both sides for fast and easy maintenance.

Very high rotor speed for superior grinding efficiency.

Innovations for a better world.

BUHLER

PELLET FUELS INSTITUTE

1901 North Moore Street
Suite 600
Arlington, VA 22209
(703) 522-6778

ANDRITZ
Feed & Biofuel

Dies and Rolls

for all makes of pellet mills



Experience from ANDRITZ FEED & BIOFUEL

ANDRITZ FEED & BIOFUEL manufactures high quality pellet mill dies and roll shells for all makes of pellet mills.

Benefit from our knowledge and optimize your pelleting process with spare and wear parts from the worlds leading manufacturer of dies and rolls – ANDRITZ FEED & BIOFUEL

For more information please contact us at 1-800 446 8629 or by e-mail

USA and Canada:
andritz-fb.us@andritz.com

Europe, South America and Asia:
andritz-fb@andritz.com

www.andritz.com