



Appalachian Sustainable



Speakers Detail BoilerMACT, Biomass Needs

A notification deadline for wood-fired boiler operators is Sept. 17 and many owners first learned of it at the 2011 Appalachian Hardwood Manufacturers, Inc. Summer Conference.

The session was July 23-26 at the Nemaocolin near Farmington, PA. More than 130 people participated in the three-day conference with an emphasis on rules for boilers, biomass and the regulations pouring out of Washington.

Environmental Engineer Heather Bartlett of SLR Consulting in Portland, OR, explained the new Environmental Protection Agency rules for wood-fired boilers in 2011 have been confusing. In the past 18 months, regulations have increased, been delayed by a judge, then imposed and postponed.

While final rules are still not available, companies do have new procedures that begin in September. All AHMI members are either area source or major source emitters since none incinerate commercial or solid waste, Bartlett said.

Facilities are considered Area Sources if they emit less than 10 tons/year of an individual hazardous air pollutant (HAP) and less than 25 tons/year of combined HAPs. Facilities are considered Major Sources for HAPs if they emit 10 tons/yr or more of an individual HAP or 25 tons/year or more of combined HAPs.

The EPA requires owners of Area and Major Sources to notify the EPA by Sept. 17, 2011 for those subject to the Area MACT; complete annually compliance certificates; complete a Boiler Tune-up by March 21, 2012; and complete an energy assessment by March 21, 2014

The boiler tune-up and energy assessment are

Air Compliance Deadlines

- Initial notifications due Sept. 17, 2011
- Compliance certification report due annually.
- Boiler Tune-up due by March 21, 2012
- Energy Assessment due by March 21, 2014

new regulations that owners must discuss with their operators or engineers, she said. While there is time to get these completed, the notification deadline looms.

"Many people are just not aware of this," Bartlett told the AHMI crowd. "Please get this on your calendar and get your paperwork in."

The new regulations also come with cost. She estimated the biennial tune-up at \$5,000-\$10,000 per boiler and the energy assessment at \$10,000.

The required physical modifications to the boilers, additional controls, and mandatory source testing are costly as well. Examples of capital costs for wood products facilities are an overfire air system at \$300,000 and a baghouse for a biomass boiler at \$800,000.

Hardwood Federation Executive Director Deb Hawkinson discussed the BoilerMACT crisis in 2011. She said the Environmental Protection Agency was considering rules in 2010 and 2011 that proposed unachievable biomass limits for carbon monoxide emissions from wood-fired boilers. The Federation and other groups have worked to set feasible short term limits and alternative longer-term limits that reflect data

(See Conference on page 3)

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Meetings

2011 Fall Meeting & Tour - Oct. 12-13

Zanesville, OH

2012 Annual Meeting - Feb. 29-March 4

The Marco Island Marriott, Marco Island, FL

2012 Summer Conference - July 28-31

The Grove Park Inn, Asheville, NC

The way I see it...

By Tom Inman, AHMI President

...the summer slowdown is "on" across the Appalachian Hardwood region. In the past three weeks I have visited seven of the 12 AHMI territory states and the report is the same.

It's as slow as sap trailing a tree. I had not heard that before my recent travels but it certainly explains July and August for many Producers, Distributors and Consumers.

While most say they are finding a buyer for their scaled-back production, the number of telephone calls and/or visits it takes to complete the deal is up. "We just don't have any orders," one Producer said. "We'll eventually move it, but it tough."

Many also have low log supplies. While I rarely know how many logs a mill "should" have, when I see a substantial amount of open dirt in the log yard, I know the supply is down.

More loggers are going out of business and timber owners are not putting tracts up for bid or rejecting offers. These factors usually mean shortages in the future but some said the wet spring would mean shortages in early summer and that did not happen.

So what's next? The survey of AHMI members I visited found more of the same in the near term. Members will continue to match production with sales and review each month at a time.

Howard, Crites Offer Hardwood Checkoff Update

Two members of the Hardwood Checkoff Blue Ribbon Committee offered an update on the initiative at the 2011 AHMI Summer Conference.

Blue Ribbon Committee Co-Chairman Jim Howard, president of Atlanta Hardwood Corp, and committee member John Crites, chairman of Allegheny Wood Products, updated meeting attendees. The committee has submitted a draft of the order to place the checkoff proposal before the industry for a vote.

Howard reviewed the progress to date and offered specific language from the order that will be sent to the U.S. Department of Agriculture for approval.

The Hardwood Checkoff is an initiative led by



HIGH POINT - Appalachian Hardwood Manufacturers, Inc. welcomes the following new member to the association:

Distributor

Robinson Lumber Co.
Toto Robinson
4000 Tchoupitoulas Street
New Orleans, LA 70115

Consumer

Wentworth of the Carolinas
Alexandra Krobatsch
1808 Emmanuel Church Road
Conover, NC 28613

Fitts Industries, Inc.
Lisa C. Barker
PO Box 1368
Tuscaloosa, AL 35403

New members are the lifeblood of the association and we need your help connecting with new people or former members. Please call the AHMI office at (336) 885-8315 with suggestions of customers and competitors who can benefit from participation in the association.

a group of US hardwood industry leaders who are developing a Commodity Checkoff program for the hardwood industry. Checkoff programs are industry-funded research and promotions programs tailored to a specific commodity. Dozens are in places across the U.S.

The order is expected to be submitted this fall. The hardwood sawmill, concentration yard, plywood and unfinished flooring companies who are eligible to participate will be contacted with the details and a weighted ballot based on the company's sales.

The vote is expected in early 2012. For more information, visit www.hardwoodcheckoff.com or contact the AHMI office at (336) 885-8315.

Conference from page 1

variability as well as allow time for boiler testing.

The proposed regulations also listed unachievable new source limits for non-gas boilers. The Federation and others have proposed new limits to show variability in the performance of boilers.

There was new legislation introduced in June The EPA Regulatory Relief Act of 2011, that does not amend current law but guides EPA to use discretion under Clean Air Act and Resource Conservation and Recovery Act. It also authorizes setting standards that are achievable.

Hawkinson said other developments are a stay that gives the EPA at least 15 months to reissue BoilerMACT rules that benefit the industry and the environment.

David Tenny, president of the National Alliance of Forest Owners, discussed wood biomass and its value to landowners and hardwood lumber producers. The organization promotes the economic and environmental benefits of working forests.

He said the estimated wood used for existing and announced energy projects in the United States is 120 million tons annually. This includes liquid fuel, pellets and biomass to produce electricity.

While the actual number may be closer to 70 million tons annually, it is considerable more than what is being consumed today. He said environmental groups and government agencies are using invalid science to keep wood energy sources from reaching their full potential.

Tenny said proposed regulatory changes will:

- Jeopardize \$18 billion in investment capital
- Cut 11,000 – 26,000 jobs
- Put 134 wood to energy projects and facilities “at risk”
 - Impact 92% of mills because 87% have of wood-to-electricity projects
 - Remove 54 million tons of biomass from marketplace

He encouraged AHMI members in participate in a Forest Roads Campaign strategy to educate members of Congress on the impact that new regulations have on the industry.



U.S. Rep. GT Thompson (center) talks with (from left) Roy Cummings, Mike Tarbell and Scott Cummings

Congressman Fights For Hardwoods, Debt Reduction

U.S. Rep. Glenn “GT” Thompson, PA-5, says Congress must solve the nation’s debt crisis.

Speaking during the 2011 AHMI Summer Conference reception, he said government must cut spending and pay down the debt to boost the economy and help businesses create jobs. He was forced back to Washington early during the conference for votes on the federal debt.

Thompson was elected in 2009 and serves as the Chair of the Subcommittee on Conservation, Energy, and Forestry in the House Agriculture Committee and has been willing to work closely with the Hardwood Federation to address the industry’s priority policies. He has a passion for the forest products industry.

Thompson said the U.S. Department of Agriculture should increase the harvest on the nation’s forests. Citing changes in the Allegheny National Forest in Pennsylvania, he said the same strategy needs to be applied to other forests.

The Hardwood Federation Political Action Committee presented Thompson with a contribution. It was given by AHMI Board Member Jay Reese of Penn-Sylvan Inc. He represents the Penn-York Lumbermen’s Club on the Federation board.

AHMI / HMA Plan Joint Tours Of Mills, Yards

Appalachian Hardwood Manufacturers, Inc. will again join forces with the Hardwood Manufacturers Association for a combined fall meeting and tour on Oct. 12-13 in central Ohio.

The meeting headquarters will be the Holiday Inn Express & Suites in Zanesville, OH. The tours begin on Oct. 12 departing from the hotel at 7:30 a.m. The first stop is Yoder Lumber Co. kilns and dimension facility in Berlin, OH. Yoder Lumber Co., Inc. is a third generation family owned business in the heart of the Appalachian hardwood region.

The second stop is HW Chair in Millersburg, OH. The company produces residential dining room chairs and chairs for the hospitality industry, colleges and libraries.

After lunch, the tour moves to Yoder Lumber Co. in Buckhorn. This facility has two sawmills, drying facilities, a predryer, lumber storage, and an automated lumber sorting line. Yoder's Millwork and Distribution warehouse and storefront are located here.

The group will return to Zanesville for a recep-

Inter-Industry Meeting & Tour Oct. 12-13 in Central Ohio

tion and dinner at the city's convention bureau office. (Shuttles are available from the hotel.) There will be industry roundtables following dinner.

The second day begins at 9 a.m. at Brenneman Lumber Co. (Participants are asked to drive on their own because the meeting will end after the tour) Brenneman is a family owned and operated business with yard and offices located in Mount Vernon, OH.

Rooms and suites are available at the Holiday Inn Express in Zanesville for \$107-117. To make your reservation, please call (740) 297-4751 and use the code Appalachian Hardwood. The cutoff date is Sept. 11.

Please complete the registration form on page 6 of this newsletter or register online at www.appalachianwood.org/meetings.htm. For more information, call AHMI at (336) 885-8315.

American Hardwood Promotion Tools Available

The new "American Hardwoods" promotional campaign is being incorporated into marketing programs across the hardwood industry.

The promotion is designed to inspire a renewed preference for American Hardwood products and create a unified industry identity, while assisting the entire supply chain – from foresters, sawmills and lumberyards to manufacturers and retailers – with product sales, according to the public relations firm managing the program.

As awareness of the differential benefits of American Hardwoods versus competitive materials increases, buyers will look for the American Hardwoods logo when making purchases.

It is vital that the entire industry be involved. Companies should add the logo to: websites, product packaging, company brochures and advertisements, branded merchandise, trade show

signage and e-mail signatures.

Branded clothing with the logo and tagline is available from Lands' End. To order, reference the following numbers:

#1147301-W – American Hardwoods color logo with the tagline
Treasured for Generations

#1128571-W – American Hardwoods color logo without the tagline



To further help your business, the next phase of the campaign, beginning in late summer, includes the launch of a new website that will include member tools that you can use to easily promote your business as an American Hardwoods supplier.

Public relations and advertising initiatives are also underway to gain additional visibility for American Hardwoods. For more information or to receive digital copies, contact the AHMI office.

MeadWestvaco Plans Biomass Upgrade

Packaging company MeadWestvaco Corp. will build a biomass boiler and upgrade its power system at its Covington, VA, mill in a \$285 million investment.

The move will allow the facility to become self-sufficient in energy production and significantly reduce operating and maintenance costs. MeadWestvaco also said the upgrades will further its competitive advantage in providing paper-board packaging.

"We are making an investment to improve the competitiveness of our Covington mill so that it will continue to be a strong economic engine for our company and for the Commonwealth," CEO John A. Luke Jr., said.

The Richmond-based company will replace two older and less-cost efficient fossil fuel units with a system that provides reliable, efficient, and lower-cost sources of fuel to produce steam and electricity for the mill. The new boiler and 75-mega-watt steam turbine generator system will primarily burn biomass such as tree bark, wood residues and water treatment plant residuals.

NHLA Offers Bilingual Course

The National Hardwood Lumber Association is offering its first Bilingual Lumber Grading Short Course on Sept. 12-14 at NHLA Headquarters in Memphis, Tn.

This is a great opportunity for companies to send Spanish speaking employees for basic lumber grading training. The instructional material given to each student will also be in Spanish. The pilot program course costs \$150 for NHLA members and \$250 for non-members.

Other Upcoming Education & Training

- Basic Hardwood Lumber Drying Course: Aug. 29-30 at NHLA Headquarters
- 3-Day Lumber Grading Short Course: Aug. 31-Sept. 2 at NHLA Headquarters
- Inspector Training School - 166th Class: Sept. 7-Dec. 9 at NHLA Headquarters in Memphis, TN. Contact Chris Churchill, Director of Education at 901-399-7555 or c.churchill@nhla.com.



FORESTRY

AHFRA Project Reveals Growth, Yield Models

The 2011 Appalachian Hardwood Forest Research Alliance workshop and meeting was held in August in Roanoke, WV.

West Virginia University Professor Dr. John Brooks discussed his research on Whole Stand Appalachian Hardwood Growth and Yield Systems. This AHFRA-funded project began in September 2009 to develop a whole stand growth and yield model to predict future trees per acre, basal area and volume.

Brooks reviewed existing data and developed new formulas for the predictions. The growth and yield models are important to landowners in determining the value of land and best forestry practices.

This growth and yield models were at the top of the prioritized research agenda for AHFRA members. The formulas provide landowners with valuable tools in managing their timberlands.

AHFRA is administered by Appalachian Hardwood Manufacturers, Inc. It has a separate membership and dues structures to fund research projects in the Appalachian forest. For more information, contact the AHMI office.

AHMI Verified Sustainable Materials Available

AHMI members are reminded that 2011 Appalachian Hardwood Verified Sustainable materials are available from the AHMI office.

These include certificates, letters from AHMI and from the U.S. Forest Service explaining the program and decals for use on packaging or invoices.

These materials can be delivered to your company within a few days of placing your order. Please contact the AHMI office at (336) 885-8315.



APPALACHIAN HARDWOOD MANUFACTURERS, INC.
Fall Inter-Industry Meeting

HARDWOOD MANUFACTURERS ASSOCIATION
Central Regional Meeting



Tours

- ▶ **Yoder Lumber Company, Inc.**, Millersburg (Buckhorn and Berlin) www.yoderlumber.com
- ▶ **HW Chair Ltd.**, Millersburg
- ▶ **Brenneman Lumber & Kiln Drying**, Mt. Vernon www.brennemanlumber.com

For information on the equipment that will be featured on the tours, visit www.HMAmembers.org. If possible, please bring your own hardhat.

Schedule

Wednesday, October 12, 2011

- 6 a.m. Complimentary breakfast available in hotel lobby
- 7:30 a.m. Bus departs hotel
- 9 a.m. Tour Yoder Lumber (Berlin)
- 10:30 a.m. Depart Yoder Lumber
- 10:45 a.m. Tour HW Chair
- 12:15 p.m. Depart HW Chair to lunch (Memorial Park, Millersburg)
- 1:15 p.m. Depart lunch
- 1:30 p.m. Tour Yoder Lumber (Buckhorn)
- 3:30 p.m. Depart Yoder Lumber
- 5 p.m. Arrive at hotel
- 6 p.m. Reception and dinner followed by industry roundtables

Thursday, October 13, 2011

****There will be no bus on Thursday**

- 6 a.m. Complimentary breakfast available in hotel lobby
- 8 a.m. Depart hotel
- 9 a.m. Tour Brenneman Lumber
- 10:30 a.m. Depart Brenneman Lumber

Hotel & Airport Information

Holiday Inn Express & Suites

1101 Spring St., Zanesville, OH 43701
 740-297-4751

Rates: \$107 king or double
 \$117 junior suites

Room Block: Hardwood Fall Meeting, code is AHW
 Room Cutoff - **September 11, 2011**

Airport Information:

Columbus International Airport is a one-hour drive to the hotel. **Shuttles are not available.**
 Zanesville Municipal Airport (non-commercial) is a 15-minute ride to the hotel.

Registration Form

Please send this form, with payment, to:
 Hardwood Manufacturers Association
 665 Rodi Road, Suite 305 • Pittsburgh, PA 15235

Register online at
www.HMAmembers.org or **www.appalachianwood.org**
 Fax: **412.244.9090** or **336.886.8865**
 Questions? Call the HMA office at 412.244.0440.

Company _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

E-mail address _____

Name of those attending (for name tags):	Check box if riding the bus on Wednesday
_____	<input type="checkbox"/>
_____	<input type="checkbox"/>
_____	<input type="checkbox"/>

In order to prepare accurately, please check the above block if you will be riding the bus.

HMA/AHMI members attending x \$150 each..... \$ _____

Non-members attending x \$250 each..... \$ _____

- I am enclosing a check with this registration
- OR**
- Charge to my credit card: VISA MASTERCARD

Account Number _____

Expiration Date _____

Cardholder Name _____

Authorized Signature _____

Registrations will not be accepted without a designated form of payment. Any credit card disputes resulting in a chargeback will include a \$25 fee, payable by the cardholder.

