

MADISON'S LUMBER REPORTER

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News & Updates

Madison's Announces . . .

We have completed our annual update of *Madison's Online Lumber Directory!* Don't miss out on this valuable information resource, freshly researched and updated.

The new data is being installed on the website, as an online subscription.

Get instantly connected with the Canadian solid wood and pulp and paper products industries!

Each of the more than 1,600 listings detail: locations; contact names/titles; websites and emails; species handled; rough and surfaced sizes; product mix; dry kiln and production capacities; countries of export; grading agency & mill number; plus much more.

Contact our office any time to sign up today!

Safety Concerns

The number of rails cars involved in accidents, derailments, and explosions across this continent has jumped to a truly alarming rate in the past few weeks. Statements of "thank goodness it was not in a populated area" is zero consolation to workers, residents of remote communities, and citizens in general.

Business and industry in Canada and the US are reminded that safety is ALWAYS the priority, above even efficiency or cost-savings.

Sawmill Accident Ruled Not Criminal

No criminal or regulatory charges will be laid in connection with an explosion and fire that killed two workers at a Burns Lake, BC, sawmill in January 2012.

The Criminal Justice Branch said Friday that based on the evidence provided by WorkSafeBC there is no substantial likelihood of conviction against the Babine Forest Products sawmill. That blast also injured 20 people.

[READ MORE](#)

BC's Forest Ministry Seeks Comments

The Ministry of Forests, Lands and Natural Resource Operations is proposing to establish the areas, almost 18,000 hectares in total, along Toba and Jervis Inlets near Powell River and on parts of the Sechelt Peninsula.

Foresters are asking for the public's thoughts on setting aside parcels of old growth trees along the Sunshine Coast to protect biodiversity.

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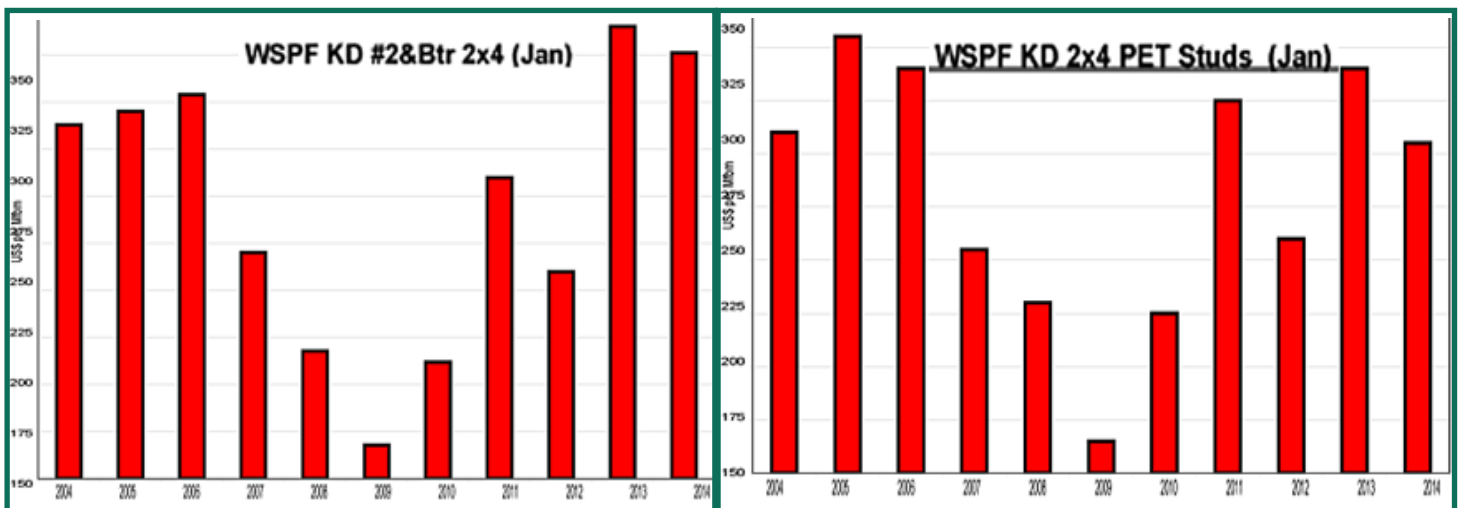
Biomass Fuel Production Breakthrough

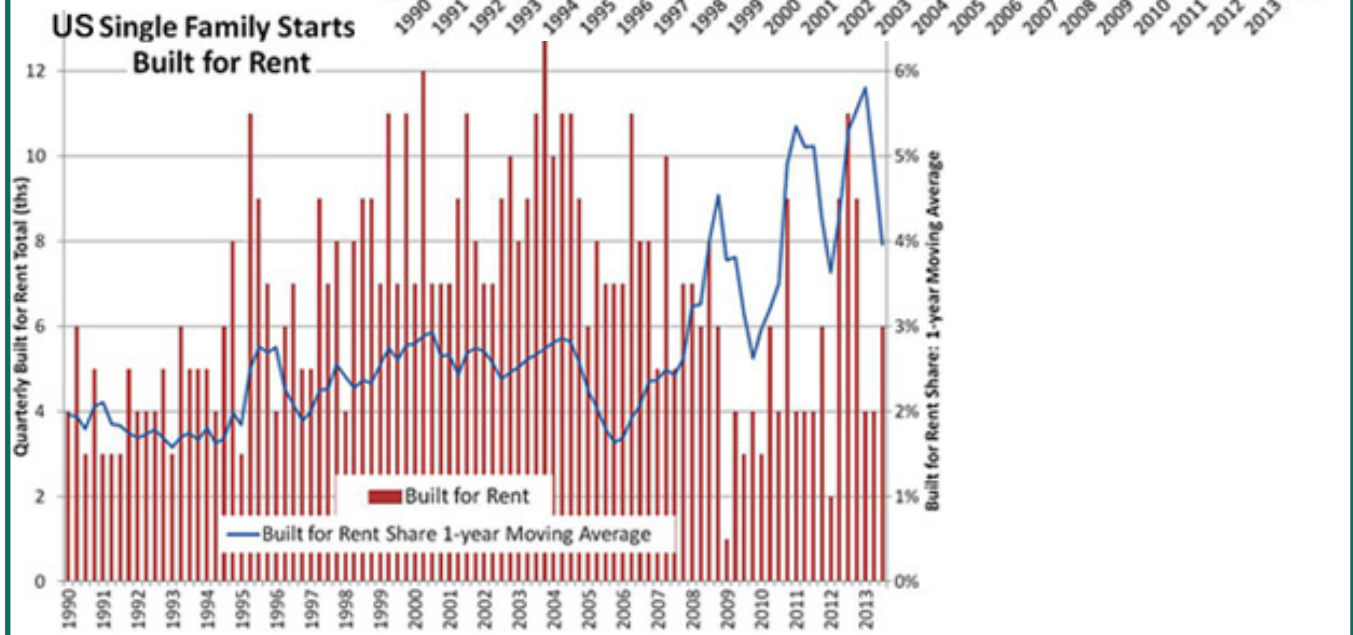
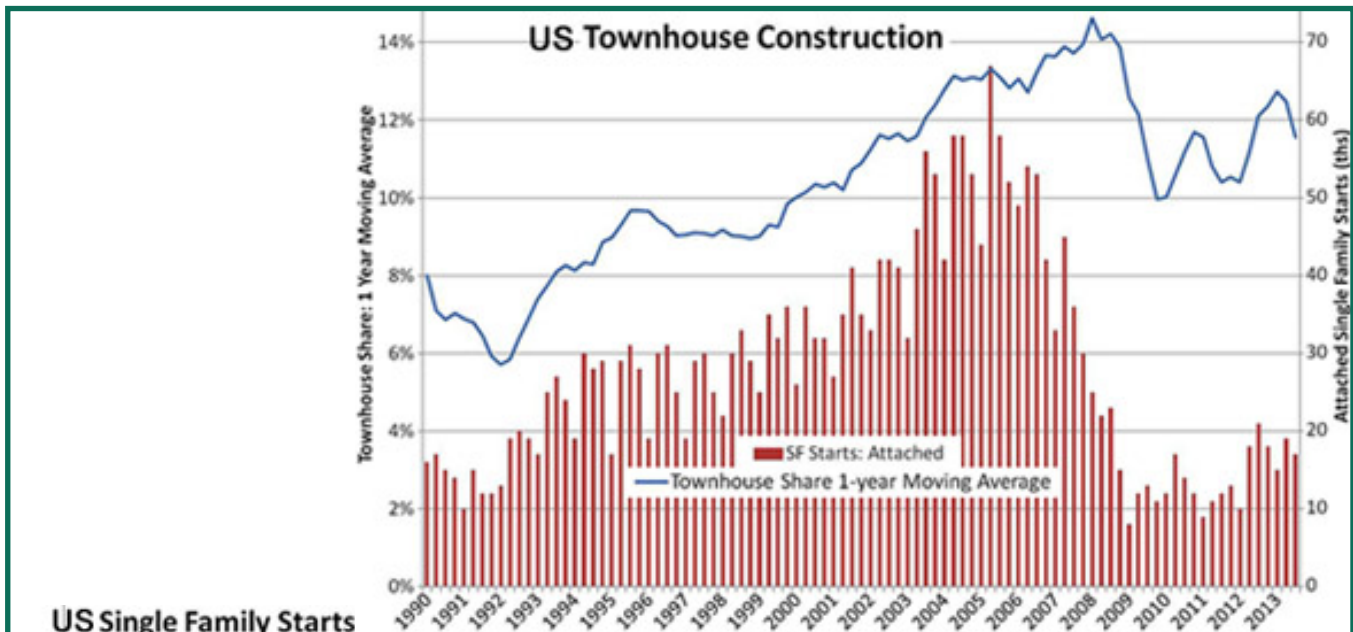
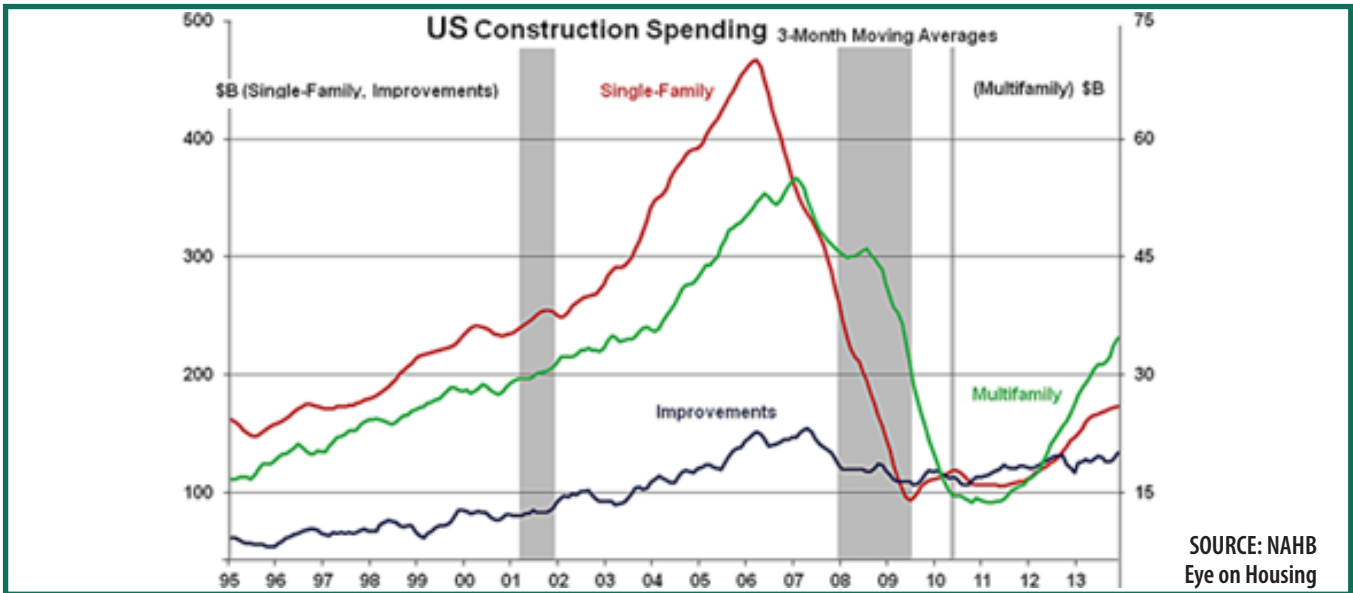
US researchers have unlocked the properties of an enzyme, first discovered at some geysers in Russia in 1990, which breaks down the cellulose cell wall twice as quickly as the previously-used bacteria.

A microorganism first found in the Valley of Geysers on the Kamchatka Peninsula in Russia in 1990 may be a key to more efficient cellulosic biofuel production, said DomesticFuel.com January 6. The microorganism can digest cellulose almost twice as fast as the current leading component cellulase enzyme on the market, according to researchers at the Energy Department's National Renewable Energy Laboratory (NREL).

In its Russian home, the enzyme's diet consisted of whatever it could find in a really hot environment with no oxygen: crystalline cellulose, hemicellulose, pectin, starch, and gum Arabic.

[READ MORE](#)





Key Prices

	This Week	Last Week	Change	Month Ago	Change	Year Ago	Change
WSPF KD R/L 2x4	376	372	+4	382	-6	390	-14
WSPF KD R/L 2x6	352	350	+2	360	-8	406	-54
WSPF KD R/L 2x8	344	340	+4	358	-14	388	-44
WSPF KD R/L 2x10	410	432	+22	454	-44	406	+4
WSPF KD PET 2x4 Stud	305	305	0	320	-15	340	-35
WSPF KD PET 2x6 Stud	295	290	+5	305	-10	325	-30
Douglas Fir Green R/L 2x4	385	365	+20	340	+45	355	+30
Douglas Fir Green R/L 2x10	510	500	+10	525	-15	355	+155
ESPF KD 2x4 8ft Stud	380	375	+5	380	0	415	-35
OSB Ontario 7/16" (CDN\$)	227	232	-5	223	+4	375	-148
CSplywood Toronto 3/8" (CDN\$)	380	386	-6	378	+2	451	-71

Weekly News

Sawmill Blast Ruling

CONTINUED Last September, WorkSafeBC submitted a report to the branch for an assessment on whether charges under provincial legislation should be laid against the company.

The branch says the charge assessment analysis included consideration of a viable defence of due diligence.

Crown lawyers are meeting with the mill workers and family members of those who died in Burns Lake today to advise them of the decision not to approve charges.

Old Growth Forest

CONTINUED In July 2012 the ministry added 14,750 hectares to Sunshine Coast old growth management areas in Brittain, Bute West, Bute East, Cortes and Howe landscape units.

The five areas proposed include:

- Homfray Landscape Unit (2,802 hectares) on the east side of Homfray Channel and the southeast side of Toba Inlet.
- Jervis Landscape Unit (4,479 hectares) on the east and north sides of Jervis Inlet.
- Quatam Landscape Unit (2,971 hectares) on the north side of Pryce Channel and east side of Toba Inlet.
- Salmon Inlet Landscape Unit (4,434 hectares) on the north and south sides of Salmon Inlet.
- Southgate Landscape Unit (3,212 hectares) northeast of Bute Inlet and southwest of Chilko Lake.

The ministry is looking for public comments. Documentation is available for public viewing at ministry offices in Surrey, Campbell River, and Powell River or online (ftp://ftp.for.gov.bc.ca/DSC/external/!publish/OGMA_%20Dec13/).

The public has been given until Tuesday, February 18, for submissions.

Written comments can be sent to Chuck Anderson, stewardship forester, Ministry of Forests, Lands and Natural Resource Operations, 7077 Duncan Street, Powell River, V8A 1W1.

Conifex Announces . . .

Conifex Timber has entered into a definitive purchase agreement to acquire Lignum Forest Products, a private partnership which operates a lumber marketing and distribution business, for approximately \$4 million, the company announced Monday. Conifex intends to fund the transaction from its existing available cash. Lignum operates its forestry and lumber distribution business in BC, providing Conifex "extensive market reach in the North American market through a network of established inventory locations".

Also Monday, Conifex announced that Patrick Bell has been appointed to the newly created role of Executive Vice President. Bell brings to his new role extensive experience derived from a diverse background, as the company said in the press release.

During his political career, Bell served three terms in the BC Legislature and held a number of high profile positions with the Provincial Government, including Minister of Jobs, Tourism and Skills Training, and Minister of Forests and Range.

The role of Executive VP will be based in Conifex's Prince George, BC office.

COFI Announces . . .

The Council of Forest Industries (COFI), out of Vancouver, BC, is pleased to announce the dates for Western Canada's

premier forest sector convention - April 2 & 3, 2014 in Kelowna, BC.

This annual convention traditionally attracts over 400 delegates representing senior industry, government and customer representatives as well as elected officials from local, provincial and federal governments.

This year's theme "Rooted Locally, Growing Globally: The New Forest Industry" promises to provide something for everyone.

For more information on the convention including opportunities for exhibitors, sponsorship or attending, please go to www.cofi.org where you will find a link to the convention website. It will be updated regularly, so please check back often.

If you have any questions or require more information please contact Diana Gillrie gillrie@cofi.org or Pam Edgar edgar@cofi.org or phone: 250-860-9663.

Calendar

January 2014

71st Truck Loggers Association AGM

Jan 15 to 17 – Vancouver, BC

<http://www.tla.ca/events/convention>

Western Silvicultural Contractors' Association 2014 Conference

Jan 27 to 29 – Kelowna, BC

<http://www.wsca.ca/>

February 2014

Montreal Wood Convention 2014

February 18 – Montréal, QC

<http://www.montrealwoodconvention.com/en/>

Biomass Fuel Production

New Discovery

CONTINUED Biofuel researchers saw the potential to use the bacteria for munching through the tough cell walls of woody plants and converting the biomass to sugars, at a far lower cost than current technology allows. The bacteria loves to digest poplar as well as napier grass, Bermuda grass, and switchgrass.

In this round of tests, the researchers confirmed that enzyme, called CelA, can digest cellulose almost twice as fast as its conventional counterpart, a widely used enzyme called Cel7A.

Elsewhere, the projection for biomass fuel production in 2014 is glowing indeed.

The Energy Information Administration (EIA) offers the early release of their energy production and consumption fore-

by Kéta Kosman

casts for the US all the way to 2040 in the Annual Energy

Outlook (AEO), wrote Kolby Hoagland in *Biomass Magazine* January 3. Last year's AEO predicted a sharp increase in the use of biomass fuel in cofire scenarios at coal fired generation plants. EIA continues to predict a steady increase in cofiring of biomass based on current policy trajectories. The 2014 AEO forecast for cofiring is slightly delayed and smoother than 2013 but continues to project that cofiring will have the greatest influence on the growth of the biomass sector with an annual growth rate of 14.5 per cent.

Private industry currently possesses close to two times more biomass power generating capacity for its private use than the biomass power sector can put onto the grid. Industry's production capacity for private use totaled 4.9 gigawatts in 2012, while grid-connected biomass power capacity rates in at 2.7 gigawatts, continues Hoagland. A number of companies in the paper and pulp industry along with other large wood and biomass industries produce all the electricity that they use onsite and do not put any of their capacity onto the grid. The 2014 AEO forecasts further growth of private generation capacity of biomass power. Non-grid connected biomass power generation has an annual growth rate of 2.9 per cent while grid-connected biomass power's growth rate is 0.9 per cent.

Meanwhile, New York State Governor Andrew Cuomo released his agenda for 2014, which includes plans to launch a biomass heating initiative in the state.

Como's agenda outline describes Renewable Heat NY as "a long-term commitment to help the high-efficiency and low-

emission biomass heating industry reach scale." In its first year, the program will aim to raise consumer awareness and develop the larger-scale anchor customers that energy firms need to begin the transition of their heating oil delivery fleet to bulk biomass.

Renewable Heat NY will also aim to develop long-term, reasonably priced private sector financing to cover the up-front cost of qualified biomass heating systems for buildings outside of the municipal sector, and the state will provide support so that sustainable forestry practices are available for small and large landowners and are utilized to maintain and enhance the long-term health and productivity of New York's forests.

In other government funding projects, a four-state team involving Montana State University (MSU) was awarded nearly US\$10 million to investigate turning beetle-killed trees into biofuel, according to *Big Sky Business Journal* November 26. The award came from the US Department of Agriculture, and involves colleges in Idaho, Wyoming, and Colorado in an effort to deal with the 42 million acres of forest impacted by the beetles.

The Agriculture Dept announced the award saying it would allow an academic, industry, and government consortium led by Colorado State University to study the major challenges that limit the use of beetle-killed trees in the Rockies as biofuel.

MSU will be responsible for mapping dead trees throughout the northern Rockies to help determine how much beetle-killed wood is available for biofuel, and will develop tools so scientists can rapidly detect outbreaks that will produce more dead wood. The work will involve ground surveys, remote sensing, geographic information systems, and spatial modeling, which will help evaluate the history, current extent and logistics of using beetle-killed trees for biofuel. MSU researchers will work with rural landowners, resource managers and communities to examine the practicality and ecological sustainability of woody debris acquisition and refinery locations.

As well, new projects producing energy from forest and sawmill residue are springing up across North American, Europe, and the UK.

Colorado Springs Utilities has just begun its year-long biomass power pilot project to determine the best cofiring blend at its Martin Drake Power Plant, said *Biomass Magazine* January 3.

The plant will consume 50 to 60 tons per day of one inch or less sized woodchips, supplied by Rocky Top Resources, out of Colorado Springs, CO. Fort Carson will also provide scrap wood and purchase

2.5 megawatts (MW) of energy to meet its goal of becoming a net zero energy and waste installation. Of the biomass fuel mix, 60 per cent is composed of industrial wood waste and 40 per cent derived from woody biomass, such as dead juniper trees, said Terry Meikle, energy supply manager at CSU.

The plant has combusted a biomass blend since December 18 and is addressing an issue around a particular pulverizer's ability to process the biomass, Meikle said.

Scrubber bars within the hammermill at the Drake No. 5 unit made it the ideal choice for the biomass fuel, Meikle says. CSU has tested the biomass in a ball mill pulverizer, but found that it only flattened the biomass and plugged the mill.

Over the next few months, the utility company will be investigating other technology to make system feeding more efficient, said *Biomass Magazine*.

Still in the US, researchers at North Carolina State University have developed a simple, effective and relatively inexpensive technique for removing lignin from the plant material used to make biofuels, which may drive down the cost of biofuel production, said *TG Daily*, a technology newsletter, Wednesday.

Lignin, nature's way of protecting plant cell walls, is difficult to break down or remove from plant materials called "biomass," such as the non-edible parts of the corn plant. However, that lignin needs to be extracted in order to reach the energy-rich cellulose that is used to make biofuels.

The researchers began by making a number of liquid salts called "protic ionic liquids" or PILs. These PILs are fairly inexpensive to prepare, because they are made by mixing together an acid, such as acetic acid (more commonly known as vinegar), and a base (a chemical class of materials called amines). As part of the pretreatment process, one of the PILs is mixed with biomass and then heated and stirred. The lignin dissolves into the PIL, leaving the cellulose behind as a solid. The cellulose, which is now much easier to process, is then easily filtered from the mixture for use in the next biofuel production steps.

And in Canada, the Ontario government has announced plans to convert its last coal-fired electricity generating plant to an advanced biomass fuel. This will put the government on target to achieve its goal of eliminating coal-fired generation before the end of 2014.

The Thunder Bay Generating Station, which is operated by Ontario Power Generation, is said to be the first advanced biomass station in the world that was formerly a coal plant. It will have a five-year contract to generate electricity. The modifications to the plant will begin in 2014, and it is expected to be operational in 2015.

In September 2013, Ontario Power Generation conducted a successful test burn using 100 per cent advanced biomass, which was the first of its kind in the world.