



Southern Oregon mill to generate its own electricity

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CAVE JUNCTION, Ore. (AP) — The Rough & Ready Lumber Co. plans to build a steam-generated power plant capable of providing electricity to some 700 homes.

The firm, which has been operated by the same family for three generations, would fire up the 1.2 megawatt boiler and generator in the fall of 2007.

In addition to providing the steam needed for its two sawmills and lumber dry kilns, the plant would generate electricity for sale to the Pacific Power grid.

The nonprofit Energy Trust of Oregon Inc., which promotes energy efficiency and renewables, is providing \$1.7 million in seed money for the project, which is expected to cost \$5 million. The firm is applying to the Oregon Department of Energy for a business energy tax credit of \$1.25 million, or 25.5 percent of eligible project costs.

The project is expected to pay back its cost in energy savings in four years, said Link Phillippi, Rough & Ready's president and general manager.

The company has 85 employees and manages about 30,000 acres of forestland. Its products are sold to remanufacturers for doors, windows and specified cuttings in the United States, Japan and Europe.

The project would entail a high-pressure boiler, a turbine generator, boiler mechanical and electrical controls, fuel handling and storage equipment and air-quality control features.

Rough & Ready currently operates a wood-fired low-pressure steam boiler, which produces no electricity.

The new boiler system will require 30,000 bone-dry tons of burnable material each year with roughly half coming from sawmill trimmings and the remainder from fuels from treatment and thinning operations on nearby public and private forests, Phillippi said.

"This is a very intriguing project," said Chip Dennerlein, director of the Siskiyou Regional Education Project, a Josephine County environmental group which has taken the firm to task over environmental issues in the past.

"I credit Rough & Ready for thinking creatively, for adapting," he said. "It's a new approach. They are responding to a new interest in biomass."

But Dennerlein cautioned that he would be concerned if the project would drive resource policy by "vacuuming" the forest of its wood.

"Like all other projects like this, it depends on the basic principles by which you approach it," he said. "But there is a lot of work to be done in the woods around here to reduce fire (threat)."

Adam Serchuk, biopower program manager for Energy Trust, said it's not unusual for sawmills to generate power from wood waste.

"What's new about this is it's a small family-owned operation. You typically see this with large corporations," he said.

However, he noted there is a growing interest around the state in figuring out how to connect energy needs with forest management, particularly using brush and small diameter trees.

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