

NEWS

ENDOWMENT PLANS GEORGIA WOOD-TO-ENERGY PROJECT TO TEST MODEL FOR ASSET CREATION

U.S. Endowment for Forestry and Communities, Greenville, SC

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As vitally important as family-supporting jobs are -- especially in this economy -- can a private business be “designed” to do more than provide jobs and generate profits for its owners? That’s the question that the U.S. Endowment for Forestry and Communities (the Endowment) hopes to answer with its investment in a wood-to-energy facility slated for east-central Georgia.

The North Star-Jefferson project is a partnership between the Endowment and North Star Renewable Power. The 23 Megawatt plant proposed for construction near Wadley, Georgia would use a well-proven technology while testing a starkly different ownership model.

“The Endowment would control up-to 40% of the facility through a wholly-owned for-profit subsidiary (Community Wealth through Forestry, Inc. -- CWF),” says Endowment President Carlton Owen. “The intent is to test an ownership model that has a for-profit business partnering with a community – with CWF initially providing the funding and vehicle for community interests. This creates an entirely different mechanism that sees a significant portion of the profits from the business going directly to address one or more priority community needs in addition to the expected benefits that flow from a private business – jobs, taxes, purchases of goods and services, etc.”

As part of its Woody Biomass Joint Venture fund with the USDA Forest Service, the Endowment has made a number of investments in emerging technologies – from more efficient and environmentally friendly wood stoves for small commercial buildings to companies working to “roast” wood chips to create a high-energy fuel source that could substitute for coal in certain applications. “Projects that we’ve funded to date have been in the areas of taking lab-proven projects closer to commercial status or developing more efficient wood procurement means and models to fit the growing wood-to-energy market,” says Owen.

North Star-Jefferson is in the final design and permitting phase. If all goes according to plan the facility would be operational by late fall 2013. The plant is designed to be fueled primarily with wood waste (either mill residues or logging debris) and up-to 20% tire-derived fuel (a high-energy substance left after removing metal bands and grinding the residual from discarded tires). The twin-fueling plan addresses two important needs. First, it provides a market for waste- or low-value wood providing another incentive for wood products plants as well as another economically-viable means for family forest owners to manage their lands. Second, using discarded tires yields an environmentally-proven means to keep those tires from ending up in streams and landfills.

To learn more, visit the Endowment’s Blog at <http://www.usendowmentblog.blogspot.com/>

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The **U.S. Endowment for Forestry and Communities** (the Endowment) is a not-for-profit public charity working collaboratively with partners in the public and private sectors to advance systemic, transformative, and sustainable change for the health and vitality of the nation's working forests and forest-reliant communities – www.usendowment.org