



# Georgia's Biomass Industry

## *Background*

### Georgia's Open for Biomass Business

Alternative and renewable energy sources are crucial to the nation's energy future as fossil-based sources (oil, coal and natural gas) become scarcer and more expensive. Bioenergy is a key part of Georgia's long-term energy strategy, and the state supports creating markets for bioenergy and biofuel products. Georgia wants to make biomass energy a key element of our economy's evolution. This action will lessen the nation's dependence on foreign oil imports, preserve land for forest and farm use, provide a new channel for investment, and provide people with cleaner air and reduced greenhouse gas emissions.

Now is the time for the nation to prepare itself for this homegrown energy solution. In the near future, the federal government may mandate minimum ethanol content in vehicle fuel, creating "automatic" demand, or enact other favorable legislation. Georgia will be ready with existing research, development and investment activities in new technology that will eventually lower the cost of this alternative fuel.

Georgia is prepared to meet the challenge:

- **Commitment** – engaged and supportive state officials; business-friendly regulations; leading research and academic facilities; a state priority
- **Resources** – abundant, renewable and green supply of trees and other biomass; forestry infrastructure in place
- **Heritage** – tradition and expertise in agricultural leadership and renewable crop management; track record of technology transfer; pulp and paper pioneers; created forestry industries by being first to market

### The Biomass Market

Georgia knows investors are seeking profitable business opportunities, and producers are exploring new markets for their raw materials and new uses for their manufacturing facilities. For these reasons, Georgia is cultivating a pro-business governmental and regulatory environment willing to provide incentives for economic development in biomass production.

In addition to incentives for growth and creating a business-friendly environment, Georgia is bolstering its bioenergy research and development to complement the state's unique biomass resources and forestry infrastructure. This is being accomplished by educating feedstock producers on how to invest and adapt current methods to a new bioenergy model. The state also has its top-tier universities and corporations, as well as a strong public-to-private technology transfer system.

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### **Forest Industry Infrastructure**

Private landowners in Georgia have a tradition of managing their forests for timber production. In fact, 92 percent of Georgia's 24.2 million acres of timberland is privately owned. Georgia has the most privately-owned timberland in the U.S. Family forest ownership is still the dominant owner type with 14.3 million acres, and Georgia will help family businesses create the renaissance needed for them to capitalize on growth and investment in the bioenergy marketplace.

Georgia's forest industry is composed of 177 primary manufacturers, 1,500 secondary manufacturers, 1,200 logging contractors, 1,278 consulting foresters and 140 forestry contractors. As one of the nation's strongest commercial forestry centers, Georgia has a sound transportation and technological infrastructure already in place with a work-ready labor force and a low cost of living.

### **Forest Inventory**

Georgia remains the nation's leader in commercially-forested lands with 24.2 million acres. In regard to biomass production, the state has a wide variety of economical agricultural byproducts and non-food crops that can be used as feedstock.

Timber is the highest-valued vegetative crop in Georgia. Of Georgia's 159 counties, 131 are more than 50 percent forested. The state has approximately 7 million acres of planted loblolly and slash pine timberland.

In terms of production volume, Georgia produces 6.4 million tons dry basis of logging residues each year. As Georgia increases biomass utilization efficiencies in the future, there will be the opportunity to collect a total estimated 19 million tons dry basis of forestry-related biomass each year.

With strong environmental stewardship practices, Georgia's timberland produces 22 percent more wood annually than it harvests (5.7 million tons dry basis). The remaining forest land area is reserved forest land where timber removals are prohibited by law or unproductive forest land.

### **Benefits**

In addition to the investment and production benefits, Georgia's feedstock supply and pricing will become less variable/volatile as the industry matures; more jobs will be created over time in economically-depressed areas; and Georgia homegrown bioenergy will produce cleaner air and water for residents.

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