

Summary of Session Theme Talk

Wood-based Bioenergy: An Update for North America with a Focus on Pellets

Vlosky R.P.

*Director, Louisiana Forest Products Development Center,
Crosby Land and Resources Endowed Professor of Forest Sector Business Development,
Louisiana State University, Baton Rouge, United States
rvlosky@agcenter.lsu.edu*

Over the past decade, renewable energy has accounted for approximately nine percent of the energy usage in the United States. Of this, biomass has consistently been about 50 percent of this, or 4.5 percent of the nation's total. In Canada, the contribution of renewable energy has been much less with hydro-power being the primary power source. In recent years, the landscape has changed, not so much in domestic demand for wood-based energy, but rather in the arena of manufacturing of wood pellets for export. To a lesser degree, wood-based agricultural-based cellulosic biofuels have become a prominent part of North American policies, programs and even mandates. Wood-based bioenergy is potentially an important integral part of renewable energy portfolios in the U.S. and Canada. The growth of this sector globally has been driven by demand in Europe, Japan, and other countries. European policies have been the driver for a change in the global pellet sector. The goal in Europe of creating a 20 percent renewable energy share of energy consumption by 2020 has created a burgeoning wood pellet manufacturing sector in many countries. The U.S. and Canada have increased pellet production capacity to over three billion tons. The sector is concentrated in the Southern region of the U.S. Demand, again, primarily in Europe, has been driven by the desire to transition to non-fossil fuel energy. However, the reality has been a mix of great anticipation as well as disappointment with where wood fits into the renewable equation. A number of European countries are revising their incentives and subsidies that have allowed the pellet industry to flourish. The incentives are costly and have resulted in high consumer electricity prices in these countries. Currently, the underpinnings of the global renewables sector, particularly wood-based energy, is in a state of instability. This presentation will cover an overview of where wood currently stands in addition to a discussion of successes, challenges, pitfalls, and the overall reality of the future.

Keywords: Renewable energy, Bioenergy, Wood pellet