

Wood Pellets: U.S. Energy Information Administration Production/Sales Data

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The United States Energy Information Administration ("EIA") issued a report on December 14th addressing United States production and sales of wood pellets.

Wood pellet manufacturing has been a recent focus in the State of Arkansas because of the facilities in various stages of development in the state such as Highland Pellets, Inc. in Pine Bluff and Zilkha Biomass Energy LLC in Monticello.

Wood pellets are derived from biomass (plant matter) and release energy through the incineration of the material. The relevant biomass can be obtained from plant material, vegetation, agricultural waste, or wood processing byproducts. Wood pellet fuel is used for electric power generation and domestic heating needs.

The December 14th EIA report states that during the first half of 2016 the United States produced approximately 3.3 tons of wood pellets. Further, 3.1 million tons of wood pellets were sold through the same time period. Most of these sales were to foreign markets.

The statistics were generated through a survey of about 120 planned and operational densified biomass manufacturing facilities in the United States. EIA states that these facilities have the capacity to produce a total of 11.4 million tons of densified biomass annually.

The report states that electric utilities use of utility-grade wood pellets accounted for more than 75 percent of total wood pellet production. The remainder is stated to be mostly premium-grade pellets used for heating in the residential and commercial sectors. The difference is the higher ash content in utility-grade pellets.

During the previously referenced time period 82 percent of pellet sales were utility pellets in the export market. Eighty-five percent of those pellets were sold to the United Kingdom's Drax power plants. The remaining 18 percent were sold in the United States.

[A copy of the EIA report and Densified Biomass Fuel Report can be downloaded here.](#)



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