



Exploring Georgia's Wood Products

A Product of the Forest Utilization Department

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Financial Benefits of Pine Plantations

Three new fact sheets are available online at www.GaTrees.org:

Does Reforestation Pay? Loblolly Pine for Traditional Products examines the financial performance of loblolly pine plantations established in the upper coastal plain of Georgia with and without pine straw and hunting lease revenue. On sites with average productivity, the addition of pine straw and hunting lease revenue increased rate of return from 9.96% to 12.23%.

Does Reforestation Pay? Slash Pine for Traditional Products examines the financial performance of slash pine plantations established in the lower coastal plain of Georgia with and without pine straw and hunting lease revenue. On sites with average productivity, the addition of pine straw and hunting lease revenue increased rate of return from 8.53% to 12.01%.

The results of both of these analyses indicate that landowners still have attractive options for pine plantation management in Georgia.

An Analysis of the Feasibility of Forest Biomass Production from Pine Plantations in Georgia seeks to answer the question: "At what price for wood biomass will landowners make changes in forest management in order to increase biomass supply to renewable energy producers?" Our analysis indicates that biomass stumpage will need to rise (between \$17 and \$22 per green ton) before dedicated pine biomass plantations become financially attractive. However, biomass produced in conjunction with traditional forest products in high-density plantations becomes feasible at much lower stumpage levels (\$8-\$10 per ton).

REAP Funds Now Available for FY 2011

The Rural Energy for America Program (REAP) is now accepting applications for grants and guaranteed loans for the development and construction of renewable energy system, and grants for energy efficiency improvement projects, energy audits, and for conducting renewable energy system feasibility studies.

For more information contact:
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BCAP: Upcoming Deadlines

May 27, 2011 — Deadline to submit project area proposals to the state FSA office.

June 10, 2011 — Deadline for state level review of submitted project area proposals.

June 24, 2011 — Deadline for national review and determination of need for additional environmental review of submitted proposals.

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Comments to US EPA

Forest product companies that use biomass for energy and forest landowners should consider submitting comments to US EPA on their deferral of regulating biomass emissions from stationary sources. Comments should identify Docket ID No. EPA-HQ-OAR-2011-0083 and can be sent to GHGbiogenic@epa.gov. The GFC is submitting comments that address the following issues related to this action:

- Agreement with deferral of regulating carbon emissions from stationary biomass sources
- A permitting requirement for small biomass facilities will significantly impact the forest products industry negatively
- The beneficial impacts of new markets for wood and biomass on reforestation and related carbon sequestration should be considered
- Utilizing the business-as-usual baseline approach is very questionable in the US South because of market impacts, current forest demographics, and other unknowns
- The use of a categorical exclusion for biomass is preferred
- There are many problems with regulating emissions based on specific feedstock type and this approach is not recommended

Deadline for comments is May 5th. Additional information on EPA's proposed action can be seen at <http://www.regulations.gov/#!documentDetail;D=EPA-HQ-OAR-2011-0083-0001>.

SC Export Conference Set for May 24

The South Carolina Forestry Commission will be hosting the *Seminar on Growing Wood Exports* May 24, 2011 in Newberry, South Carolina. The seminar will focus on fundamental issues of exporting along with presentations in key export areas: wood chips, logs, poles, and lumber.

There will be discussions on top export markets for forest products from the Southeast as well as discussions on logistics, financing and resources available to exporters.

The keynote address will be given by Dr. Urs Buehlmann, Virginia Tech, Department of Wood Science and Forest Products. Bruce Hoffman, Kapstone Charleston Kraft LLC will be the luncheon speaker.

For further information please visit the following weblink to the conference: www.state.sc.us/forest/be52411.pdf.

Casualty Loss from Fire-Damaged Timber



Photo Credit: Chip Bates

REMINDER - Landowners should document casualty losses of timber damaged by the recent wildfires. Losses can be claimed as deductions when calculating Federal income taxes up to the amount of adjusted timber basis less any income from salvage operations.

It is advisable to use a professional forestry consultant and/or tax advisor when appraising the actual loss incurred.

More information on tax treatment of casualty losses in timber can be found at <http://gatrees.org/ForestManagement/documents/CasualtyLossandInvoluntaryConversion.pdf> and general information on timber tax treatment can be found at <http://gatrees.org/ForestManagement/TaxPlanning.cfm>.

UPCOMING EVENTS

Southern Forest Products Association Annual Meeting
August 9—10, 2011
Atlanta, GA
www.sfpa.org/Meetings/SFPAMeetings.htm

Southeast Bioenergy Conference
August 9—11, 2011
Tifton, GA
www.sebioenergy.org