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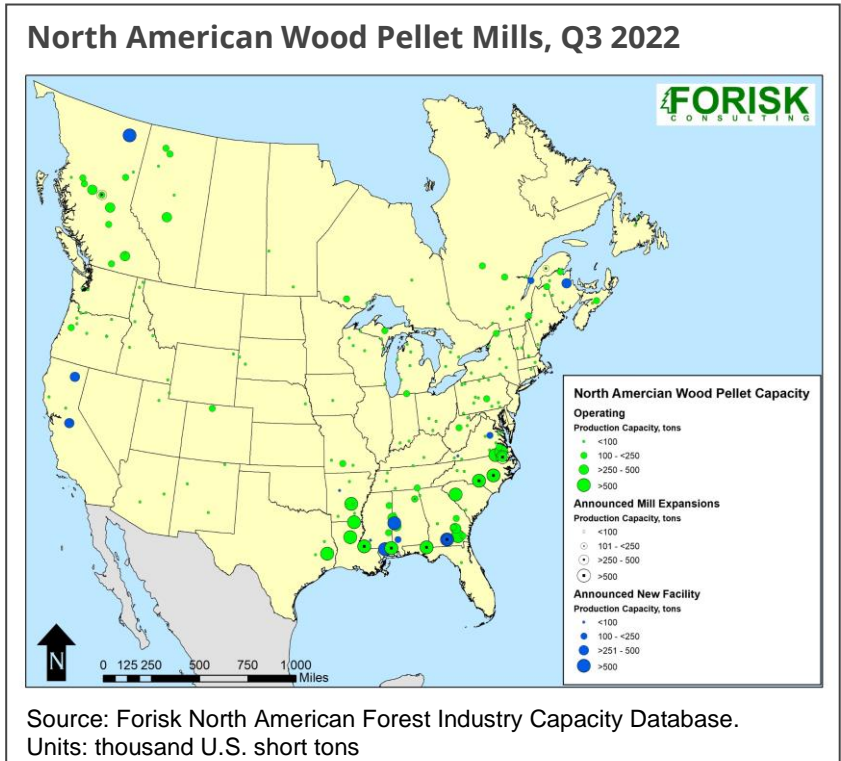
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North American wood pellet capacity projected to increase 10% in 2022 and 5.4% in 2023. Export-oriented projects in the U.S. South continue to drive growth.

WATKINSVILLE, GEORGIA – August 18, 2022 – Research presented in the Q3 2022 editions of the *Forisk Mill Capacity Database* and the *Forisk Research Quarterly (FRQ)* indicates that wood pellet production capacity reached 19.8 million metric tons in North America in 2021, with growth expected to reach 21.8 million metric tons in 2022 and 22.9 million metric tons in 2023. Much of the growth is in the U.S. South by proven producers located within economic freight distance of ports for export. Current high spot prices for pellets might support new market participants, such as the proposed Spectrum Energy facility in Adel, Georgia or the proposed Golden State Natural Resources projects in Nubieber and Jamestown, California.

Canadian wood pellet capacity is expected to increase 13% to 5.2 million metric tons in 2022 and increase an additional 13.1% in 2023. The growth is mostly driven by smaller projects, such as Groupe Lebel’s announced 110,000 metric ton facility in eastern Canada and Sinclair Group’s announced investment to expand production at the pellet production facility in Vanderhoof, B.C. The capacity increase in Canada is partially offset by the closure of Pacific Bioenergy’s facility in Prince George, B.C. in early 2022.

Forisk’s research and analysis on topics such as [wood pellet markets](#), [lumber markets & supplies](#), [log markets](#), [forest carbon](#), and [mill capacities](#) are frequently cited by leading industry publications and media outlets including *The Wall Street Journal*, *New York Times*, *Capital Press* and *National Public Radio*. To learn more about these topics and others, attend Forisk’s one-day virtual [research conference](#) on August 25, 2022. Register online at www.woodflowscashflows.com.





Forisk's [North American Forest Industry Capacity Database](#) ("Mill Database") compiles mill capacity for softwood and hardwood lumber, structural panels (OSB and plywood), pulp, veneer, wood pellets, and chip mills by region across five North American geographies – U.S. North, U.S. South, U.S. West, Eastern Canada, and Western Canada. The underlying data, which is updated continuously and published quarterly, includes mill-by-mill details for over 1,900 facilities, including location, mill type, wood use estimates, and species, with ownership and capacity data by year for 2010-2022 and estimates for 2023. The Q3 2022 publication highlights changes to 302 mills in the database documented over the last three months, including the addition of 17 mills.

For more information or to subscribe to Forisk's Mill Database, contact: Heather Clark, hsclark@forisk.com, 770.725.8447.

About Forisk Consulting:

Forisk delivers forecasts and analysis of forest industry markets and timberland investments. Firms participate in Forisk's research program by subscribing to the *Forisk Research Quarterly (FRQ)*, *Forisk Wood Fiber Review*, *Forisk Market Bulletin*, or the North American Mill Capacity Database; supporting benchmarking studies related to forest operations and mill capacities; and attending educational workshops and the annual "Wood Flows & Cash Flows" research conference. www.forisk.com