

Pioneer Forest Products remains on track to begin thinning operations on largest forest stewardship contract in history

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FLAGSTAFF – In the three months since being awarded the largest stewardship contract by the U.S. Forest Service, Pioneer Forest Products been making great strides in the development of its Winslow, Ariz., wood utilization campus and has been actively building the local workforce necessary to thin more than 300,000 acres in 10 years.

As part of the Four Forest Restoration Initiative, Pioneer Forest Products was chosen to work for the Forest Service to perform restoration treatments on 300,000 acres in the Coconino, Tonto, Apache-Sitgreaves and Kaibab national forests in northern Arizona. To process the wood removed from these forests, Pioneer is building a state-of-the-art timber plant near Winslow. The plant will convert small diameter pine timber into high value finger jointed material and use a portion of the woody debris to create bio-diesel fuel.

Since the contract award on May 18, Pioneer has made significant progress toward acquiring land in Winslow for the timber plant as well as a facility for Pioneer's biomass partner Western Energy Solution/Concord Blue USA. Pioneer has selected a firm to begin working on final designs for the facilities, and a majority of the engineering contracts are in place.

"Our engineers have been working with Winslow city officials and engineers on details of site layout and design to reach agreement on a layout that is compatible with zoning requirements in the area," said Herman Hauck, President of Pioneer Forest Products. "We have a preliminary site layout with building locations and equipment outlined on approximately 500 acres."

Along with securing a location for the Winslow plant and finalizing building and equipment designs, Pioneer has been selecting loggers and equipment operators to carry out the specific operations on the ground as designed by the Forest Service.

"Pioneer has contacted many loggers from Arizona as well as across the West, and many are ready to begin operations when we start next year," Hauck said. "For the most part, we are planning to hire locals to carry out operations for Pioneer and we expect this will mean several hundred new jobs throughout rural Arizona."

Key financial discussions are under way with several investment groups, which will fund final equipment selection. With financing on target, Pioneer Forest Products is on track to begin operations in 2013 and assist the Forest Service in its mission to improve forest health, reduce the risk of wildfire to communities, create jobs, and improve local economies through the Four Forest Restoration Initiative.

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