

timesunion.com[print story](#) 
[back](#) 

\$25.2M pellet factory planned

Wood processing operation proposed for Moreau facility is expected to create 35 jobs

By **LARRY RULISON**, Business writer
Click byline for more stories by writer.
First published: Saturday, February 16, 2008

MOREAU -- A Boston-area company is proposing to build a \$25.2 million wood pellet factory at the Moreau Industrial Park.

The facility would employ 35 people and make 140,000 tons of pellets a year that would be sold for residential heating and as biofuel for electric generation in Europe.

The company, Woodstone NY LLC, is located in Hingham, Mass. Its parent company, Woodstone USA, also operates a pellet factory in Michigan and is developing another site in New Hampshire.

"That's a big investment," said Moreau Town Supervisor Preston Jenkins Jr. "It's going to create decent economic activity for us."

Woodstone is asking the Saratoga County Industrial Development Agency to help arrange a \$17.3 million loan and tax breaks that could total nearly \$750,000 over 10 years. A public hearing on the deal will be held March 20 at the Moreau Town Hall in South Glens Falls.

Lawrence Benton, administrator for the IDA, said the plant could also support between 200 and 300 logging jobs in the region, most of which are independent operators.

"We do have the wood resources in our area, and I'm sure that's an important factor," Benton said.

The project was referred to the IDA by the Saratoga County Economic Development Corp., a Saratoga Springs nonprofit that has developed many of the largest projects in the county.

Documents filed with the IDA show that Woodstone would acquire 90 acres at the industrial park for \$1.2 million. The park is located off Bluebird Road, just across the Hudson River from Hudson Falls.

A 123,000-square-foot building that includes warehouse and manufacturing space would cost \$2.8 million. The plant would also require \$14 million in machinery and equipment.

About 40 construction jobs would be required for eight months to build the facility, IDA records show.

The project must still go before the Moreau Planning Board for site plan review, and the state Department of Environmental Conservation must approve an air quality permit.

In its filing with the IDA, Woodstone said it hopes to start hiring employees by October. The annual payroll would be \$1.6 million.

Dennis McLister, Woodstone's chief financial officer, said the decision to pick the Moreau site had a lot to do with available wood, good transportation infrastructure, and local logging expertise.

"We felt there was a lot of skilled labor," he said.

Documents submitted to the company said that the Moreau facility will bring in logs, wood chips and saw mill residue. Logs will be made into chips, and then dried by a rotary kiln dryer. The dried wood chips are then ground up and made into wood pellets, which are shipped out to customers by truck.

The Woodstone Web site says that one ton of wood pellets has the energy equivalent of 120 gallons of heating oil and that wood pellets are generally cheaper than such fossil fuels in terms of the amount of energy they generate.

Larry Rulison can be reached at 454-5504 or by e-mail at lrulison@timesunion.com.

All Times Union materials copyright 1996-2008, Capital Newspapers Division of The Hearst Corporation, Albany, N.Y.

[HOME](#) | [CONTACT US](#) | [SUBSCRIBE TO NEWSPAPER](#) | [HOW TO ADVERTISE](#) | [PRIVACY RIGHTS](#) | [COPYRIGHT](#) | [CLASSROOM ENRICHMENT](#)

HEARST newspapers