



Opportunity for Confined Animal Feeding and Greenhouses

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The Value of Pellet Heat

Confined feeding of Chickens, Turkeys and Hogs consumes between **18** and **22** million barrels of oil annually using LP fuel.

- Average chicken house will consumer 6,000 – 8,000 gallons of LP per year, x 90,000+ chicken houses.
- Turkey and hog operations will add another 30,000 – 60,000 houses or barns
- LP emits 12.5 lbs of CO₂ per gallon – 4.7 tons are emitted per year, per house
 - The 90,000+ chicken houses emit 423,000 tons of CO₂ per year
- Every 6,000 gallons of LP used adds 7,500 gallons of water per year into the house
 - Wet litter causes extremely high ammonia levels
 - Increased chick mortality, ammonia burns on feet and poor feed conversion
 - Poor air quality for the workers
- 6,000 gallons of LP at a cost of \$2.00/gallon = \$12,000 per year

The Value of Pellet Heat

It takes **32** tons of pellets to offset **6,000** gallons of LP

- Bulk pellets cost \$150/ton = \$4,790 per year – ***a savings of \$7,210 per year over LP***
- Dry heat from pellets greatly reduces ammonia levels
- Reduced ventilation requirement – reduced total energy input saves even more money
- Reduced mortality rate, improved lung health, decreased ammonia-burned feet, improved feed conversion = ***higher scoring flock***
- Improved air quality for birds and workers

The Value of Pellet Heat

To offset LP for 90,000 chicken houses would require the production of 2.88 million tons of pellets annually.

- Will require 19.2 pellet mills producing 150,000 tons per year
- 30 full-time employees per mill = 576 jobs for fuel production
- Feed stock supply chain for 300,000 – 350,000 tons per year per mill = 90 full-time jobs for loggers, processors and truck drivers
- $90 \times 19.2 = 1,440$ full-time employees + 576 in production = **2,016** total jobs
- 18 million barrels of oil @ \$100/barrel = \$1.8 Billion dollars exported to foreign countries **that don't like us**
- 2.88 million tons of pellets @ \$150/ton - \$432 Million dollars that created jobs and is spent and stays in the USA.
- This equals a **positive impact on our economy** of:

\$2.2 Billion x 6 = \$13.2 Billion per year