

Pellet facility adds 3rd mill

'High demand' spurs expansion in Kremmling

By Roger Fillion

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Confluence Energy said it is adding another pellet mill to its Kremmling factory in response to "high demand" for its pellet fuel.

The expansion will boost the facility's output by 35 percent, to about 120,000 tons of pellets a year.

The new mill will be the factory's third.

The company, which began shipping pellets in early June, expects to add another five employees.

It currently employs about 30 people.

"The additional equipment will substantially increase output at the facility," CEO Mark Mathis said in a news release. "We anticipate the incremental capacity to come on line some time in October."

The factory processes beetle-kill trees to make the pellets.

Mathis said the 18,000- square-foot plant was built to handle the latest expansion, which had been planned.

The company said the Kremmling site will produce enough wood pellets to meet the heating needs of 30,000 to 40,000 homes.

It will use about 180,000 to 225,000 tons of beetle-kill material a year.

The pine-beetle outbreak has ravaged the Kremmling area and other parts of northwestern Colorado.

Dead and dying lodgepole acreage in Colorado has grown to 1.5 million acres since the first signs of the mountain pine beetle outbreak in 1996, according to 2007 data from the U.S. Forest Service and the Colorado State Forest Service.

To boost demand, Confluence Energy said it is working with officials in Eagle, Routt, Grand and Summit counties to incorporate wood pellets and wood pellet appliances into their energy plans.

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