



Blue Mountain Lumber Products operation in Pendleton, OR.
USDA Forest Service Photo.

Blue Mountain Lumber Products Mill Upgrades Benefit Forest Restoration

There are very few small, family-owned timber mills left in the West. Yet these mills are critical to maintaining healthy forests and strong local economies for many communities that are neighbors to the millions of acres of public and private forests in the Western United States.

Blue Mountain Lumber Products in rural eastern Oregon is one of these rare remaining family-owned sawmills. For over 20 years, it has supplied quality lumber products to the Pendleton, OR area and its neighbors.

The Need for Capacity

The West is also where some of our Nation's greatest forestry challenges lie, including drought and the effects of a changing climate, bark beetle epidemics of unprecedented proportions, and catastrophic wildfires. Eastern Oregon is home to Umatilla National Forest, covering 1.4 million acres in the Blue Mountains. In the summer of 2021, this area suffered over 91,000 acres burned in devastating forest fires.

The U.S. Department of Agriculture (USDA), Forest Service works to reduce hazardous fuel through the forest management program that reduces the spread and severity of wildfire. However, to carry out efforts like prescribed thinning, the Forest Service needs nearby mills with a capacity to handle the forest materials.



The upgraded dryer increased biomass manufacturing capacity by 110 percent. Courtesy photo by Blue Mountain Lumber Products.

The Challenge

With fewer sawmills in the rural West, it is increasingly important to maintain the rural mill infrastructure. But keeping a timber mill of any size economically viable is a tricky job. A small sawmill may lack funds to invest in manufacturing efficiencies and technology to increase production. Noting these challenges, Blue Mountain Lumber Products specified two areas for improvement in their 2020 Wood Innovations Grant application.

1. Increase the ability to use nonsawlog and cull logs from forest restoration and fuels reduction projects by increasing raw material drying capacity at its wood pellet mill.
2. Improve current sawing capacity to economically process smaller diameter logs to improve sawmill throughput and lumber production.

Low-Cost Collaborations for Big Outcomes

Blue Mountain Lumber Products was awarded two key Forest Service Innovation Grants. One grant for \$36,000 replaced and upgraded the head-rig scanner system to optimize how logs are processed. The second award was for \$205,000 to upgrade the dryer to expand biomass pellet manufacturing capacity.

These grants improved operating efficiencies and enabled significant production increases. Wood pellet output increased by 110 percent and monthly lumber production increased by 22 percent. The mill also added five full-time employees.

Both projects were completed just 3 months after the grant agreements were finalized. This speed to completion has a positive and immediate benefit for both the forest and mill.

A Better Future

This simple increase in manufacturing capacity at Blue Mountain Lumber Products has far-reaching effects. It is helping address the pressing challenges by retaining or expanding existing markets for excess biomass and low-value logs removed during forest management activities. Science clearly shows that this is one of the strongest tools we can use to decrease the severity of wildfires and contribute to the economic health of rural communities in places like eastern Oregon.

More Information

Jim Archuleta, Regional Wood Innovations Coordinator, USDA Forest Service

james.archuleta@usda.gov | 503-680-6870

| <https://www.fs.usda.gov/science-technology/energy-forest-products/wood-innovation>

FAST FACTS

- 5 full-time rural jobs added
- 17-percent monthly rise in log consumption
- 22-percent monthly increase in sawmill lumber production
- 110-percent monthly increase in wood pellet output
- 24,000 additional green tons of biomass used
- 1,900 acres/year thinnings no longer piled/burned



Blue Mountain Sales Manager Toni Roach with a delivery and the crew. Courtesy photo from Blue Mountain Lumber Products.