Opinion: Solving America's 50-million-ton-a-year sawdust problem

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By David P. Tenny

Across rural America, pulp and paper mills have been closing or downsizing at an alarming rate. These mills once purchased their wood fiber, including pulpwood, chips and sawdust, from sustainably managed forests. Mill closures have caused 50 million tons of annual wood fiber processing capacity to disappear. That means each year, 50 million tons of woody fiber — the weight of about 550 Washington Monuments — are stranded, wiping out hundreds of millions of dollars in revenue for forest owners and sawmills.

This isn't just a market problem. It's a rural jobs problem, a housing problem and a forest-health problem. The solution is obvious. We need new markets for this material. A simple, commonsense and bipartisan way to help create new markets is to fix the definitions of woody biomass in the Renewable Fuel Standard (RFS) so wood fiber can fully qualify as an eligible feedstock, as intended.

Without viable markets for lower-value wood and fiber, the economics of modern forestry fall apart. It would be like a rancher raising cattle for only the prime cuts of beef and throwing the rest away—no business could survive that way. To stay in business, cattlemen must sell a lot of ground beef. It is a similar story for the business of trees. About 80% of a log's value comes from dimensional lumber, and the remaining 20% must be recouped from the residuals, like chips, bark and sawdust—the "ground beef" of a tree.

When forest owners and sawmills can't sell their production residuals, disposal costs pile up. Higher costs ripple through the supply chain, driving some sawmills toward closure. This, in turn, drives up lumber prices, threatening to make housing even less affordable at a time when the nation is in a housing crisis.

The good news is that we can fix this. Airlines want more sustainable aviation fuel (SAF), and forest owners and sawmills have plenty of wood fiber to create the energy-dense biofuels they need. A significant obstacle, however, is the unnecessarily narrow criteria governing which woody feedstocks can contribute to the production of renewable fuel under the RFS. As the EPA currently interprets them, the existing criteria exclude most trees harvested from private lands, sawmill residuals and material from federal forests or rangelands at high risk of wildfire.

A simple clarification would open the door for new investment in SAF, create a market for stranded wood residuals and strengthen domestic fuel production. It would also contribute to forest health and help reduce wildfire risk. Every other major economy on earth already recognizes woody biomass as a renewable energy source; there's no reason why the United States should rely on foreign supply chains for something we can grow sustainably at home and improve the health and resilience of our forests in the process.

Private forest owners can only keep their forests intact, healthy and working if they have markets that support investments in management, harvesting and replanting. When those markets disappear, as they have for forest owners and sawmills, forest owners face growing pressure to convert their land to other uses. Strong markets keep working forests on the landscape so they can continue delivering cleaner water, more wildlife habitat, more carbon sequestration and more resilience to wildfires.

Fixing the definitions for woody biomass in the RFS is a simple, commonsense step lawmakers can take this Congress to reduce waste, strengthen rural economies, prevent the escalation of lumber costs and power America's emerging SAF industry—all while improving the health and resilience of our forests. We have the wood, the sustainable practices and the innovation. We just need the policy clarity to put it all to work.

David P. Tenny is president and CEO of the National Alliance of Forest Owners.