a commercial boiler of a size that would heat a school or a small hospital or a Forest Service ranger station – if only there were more of these nearby.

So Malheur started looking for ways to build a market close to home.

A LOCAL ECONOMY

Some school districts bought in. A hospital. A small local airport. They got rid of boilers that ran on propane or heating oil and replaced them with modern, clean-burning pellet boilers. Their heating bills went down.

There's now a cluster of seven schools and other institutions nearby that buy heating fuel in bulk from Malheur's pellet mill. This commerce means more than one company staying afloat; it creates jobs, saves schools money and reduces oil imports.

"You cannot be a pure sawmill and survive" in eastern Oregon, Daucsavage says now. And he adds, "I don't think you could do a stand-alone pellet facility. But when you throw this all together you have a chance."

OREGON-MADE A number of the new biomass heating systems, such as this one at Oakridge Elementary School, are manufactured in Oregon by SolaGen Inc., which is based in St. Helens.

BIOMASS HEAT AT INSTITUTIONAL BUILDINGS IN OREGON

	LOCATION	ONLINE	ANNUAL SAVINGS*
Milo Academy	Days Creek	1950	n/a
Tillamook Forest Center	Tillamook	2006	**
Harney District Hospital	Burns	2007	$75,000
Enterprise School District	Enterprise	2007	$820,000
Burns High School	Burns	2009	n/a
Grant County Regional Airport	John Day	2010	**
Evergreen Elementary School	Cave Junction	2011	$15,285
Illinois Valley High School	Cave Junction	2011	$332,000
Days Creek Charter School	Days Creek	2011	$6,580
Estacada High School	Estacada	2011	$11,000
Blue Mountain Hospital	John Day	2011	$422,875
Sisters High School	Sisters	2011	$30,000
Deschutes National Forest Office	Bend	2011	**
Oakridge Elementary School	Oakridge	2012	$20,000
Prairie City School	Prairie City	2012	$63,000
Grant Union School	John Day	2012	$12,500
Vernonia High School	Vernonia	2012	**
Wallowa Resources Center	Enterprise	2012	$50,000
BLM Wildwood Rec Center	Mt. Hood Village	2012	n/a

* Compared to older heating systems, mostly fueled by oil or propane.
** Was installed in a new building; didn't replace an older heating system.