



National Alliance of Forest Owners  
*Investing in the Future of America's Forests*

2025 M Street, NW  
Suite 800  
Washington, DC 20036

p: 202.367.1163  
f: 202.367.2163  
[www.nafoalliance.org](http://www.nafoalliance.org)

January 19, 2010

The Honorable Tom Vilsack  
U.S. Department of Agriculture  
1400 Independence Avenue, SW  
Washington, DC 20250

Dear Secretary Vilsack:

The National Alliance of Forest Owners (NAFO) strongly supports your emphasis on building a strong foundation for renewable energy in our country. We also support your effort to recognize the important contributions of private forests on the rural landscape as part of USDA's "all lands" approach to resource management and rural development.

It is in this spirit of partnership and common vision that we write to share our views on the implementation of the Biomass Crop Assistance Program (BCAP). NAFO's members own or manage 75 million acres of private forests in 47 states and are poised to be important participants in BCAP and significant suppliers of the biomass our nation will need to realize its renewable energy potential. Also, because forest biomass is a carbon neutral energy source, our contributions to achieving our energy objectives will also help address our nation's climate change priorities.

We appreciate the care that must be given to ensure the BCAP and other renewable energy programs are implemented in a cost-effective way that will enable them to achieve their intended purposes. We strongly support the purpose of BCAP and are committed to working with USDA to ensure the program is implemented in accordance with its purposes and with the highest degree of fidelity.

As USDA considers alternative approaches to optimizing the use of the BCAP program, we urge the Department to incorporate several principles that are fundamental to realizing the potential of forest biomass in meeting our country's renewable energy needs. First, we urge that USDA continue to recognize the important relationship between working forests and viable markets for the goods and services they produce. As traditional markets for forest products cycle and decline, private forests become less competitive with other land uses. New and emerging markets, such as renewable energy, help maintain the economic viability of private forests and preserve the many environmental and economic benefits they provide in a working rural landscape.

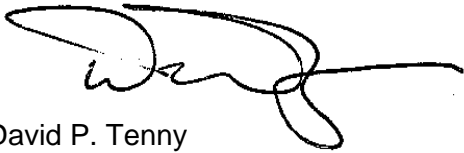
Second, we urge that the BCAP and other renewable energy programs administered by USDA foster a level playing field for forest biomass and all other potential sources of biomass energy. This will enable markets for wood and other viable sources of biomass energy to develop efficiently and remain competitive in the marketplace over the long term, a key objective of our nation's renewable energy policy.

Third, it is essential that the Department's efforts to develop our nation's biomass energy potential not arbitrarily limit or otherwise allocate the use of forest biomass within or among existing and emerging uses in the marketplace. As energy markets for wood biomass develop and mature, short-term market adjustments in the flow of raw material to and among consumers of wood and wood residues are inevitable. However, experience has shown that, over time, the introduction of additional markets for forest materials fosters investments that enhance the extent and productivity of working forests, resulting in a plentiful supply of raw materials for all end users and a more resilient and diverse marketplace overall.

Finally, NAFO recognizes that the BCAP and all other renewable energy programs must be implemented with appropriate fiscal discipline. NAFO is prepared to work with USDA and other constituents of the BCAP program to help the program achieve its intended purposes within whatever cost parameters the Department and Congress determine appropriate.

Thank you again for your leadership in building a solid foundation for biomass energy within our country's overall renewable energy framework. We look forward to continuing our work together to achieve this important common objective.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Tenny', with a long horizontal flourish extending to the right.

David P. Tenny  
President and CEO