



Tailoring Rule Leads to Harmful, Unintended Consequences

The U.S. Environmental Protection Agency's (EPA) Greenhouse Gas Tailoring Rule's treatment of biomass energy will jeopardize essential renewable energy projects, threaten green energy jobs, and waste billions in investment, according to a new study by Forisk Consulting.¹ Here are some of the key findings:

The Tailoring Rule puts 134 biomass power projects at risk at a time when we need renewable energy sources and green jobs. This could result in:

- 12,000-26,000 fewer renewable energy jobs;
- \$18 billion fewer dollars of capital investment in renewable energy;
- 5,384 fewer megawatts of renewable electricity generation; and
- 53.4 million tons of wood biomass demand removed from the market.

The Tailoring Rule jeopardizes renewable energy goals in up to 30 states; up from 19 that will likely not meet a 15% renewable electricity standard.

The Tailoring Rule has already affected at least 23 biomass power projects. These projects—which would have developed 1,519 megawatts of renewable energy—have been delayed, put on hold, or halted entirely.

Additionally, respected lifecycle analysts Dr. Bruce Lippke and Dr. Elaine Oneil recently published a paper discussing the Tailoring Rule's unintended consequences.² In addition to noting that the Tailoring Rule ignores hard science, the authors found:

The Tailoring Rule encourages fossil fuel use. "...[N]ew investment in bioenergy development will be discouraged and existing biofuel facilities may be motivated to shut down or use more fossil fuels."

The Tailoring Rule contributes to increased GHG emissions from Federal Forests. "The EPA proposal will penalize the collection of forest residuals and thinnings on federal lands resulting in increased use of fossil fuels while also increasing the risk of carbon emitting unnatural disasters."

The Tailoring Rule discounts the benefits of biomass over coal. According to peer-reviewed life-cycle analysis data from the National Renewable Energy Laboratory, biomass energy generates only 4% of the greenhouse gas (GHG) emissions of bituminous coal, a benefit that will be forfeited under the Tailoring Rule.

¹ Dr. Brooks Mendell, Amanda Hamsley Lang, and Dr. Tim Sydor were the principal investigators and authors of Forisk Consulting's December 2010 study, "Economic Impact Analysis of EPA Greenhouse Gas Tailoring Rule." The study was commissioned by NAFO and is available at www.nafoalliance.org/impact-study.

² Dr. Lippke and Dr. Elaine Oneil are both with the University of Washington. The paper is based on existing research, much of it conducted by the Consortium for Research on Renewable Industrial Materials (CORRIM), an independent non-profit corporation of 17 research institutions. The paper was commissioned by NAFO and is in the process of being submitted for peer review and publication. The full paper, including its references, is available at www.corrim.org/pubs.