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

Why a Broad Definition of Renewable Forest Biomass?

Forest biomass utilization is essential to implement policies that increase the use of reliable sources of domestic renewable energy.

- Biomass energy is a principal source of domestic renewable energy and will account for as much as one-third of the renewable energy needed to meet the objectives of policies pending in Congress.
- Biomass is the primary base-load source of renewable energy in many areas of the country where other energy sources, such as wind and solar, are not viable or are intermittent.
- Discouraging the use of biomass through restrictive or regulatory definitions can prevent many regions of the country from achieving their renewable energy potential or may foreclose biomass energy production altogether. This has corresponding negative impacts both on national renewable energy goals and the long-term conservation of private forestlands.
- The Secretary of Agriculture has affirmed that a broad definition of biomass is necessary to advance renewable energy by enabling market participation and providing forest owners with economic options that will keep forestlands forested.

A broad definition supports the economically sustainable use of forest biomass by creating stable and reliable markets for biomass energy.

- The economics of forestry favors the production of the highest value saw logs and peeler logs first, higher value pulp logs second and lower value material, like biomass, third. Because biomass is the lowest value product in the forest "value chain," forest owners will not displace higher value products in the long term to supply low value biomass in the short term.
- Market history shows that biomass supply will increase as market demand for biomass increases. Forest owners will respond to growing and more stable markets with increased investments in forest management practices that maintain sustainable production.
- Biomass facilities require a sustainable, long term supply of local biomass to justify millions of dollars in capital invested. Project developers will not pour concrete for new biomass facilities or modify existing facilities until they have secured an adequate and reliable feedstock supply.
- Restrictive biomass definitions that disqualify certain types of forests or forest materials make biomass utilization significantly more complex by introducing costly management, tracking and verification requirements. This forecloses market opportunities by making a low value product more expensive to produce and potentially uneconomic to use.
- The House of Representatives ultimately favored a broad biomass definition that prevented the arbitrary disqualification of forest types and forest materials in the final House-approved Waxman Markey Bill.

A broad definition of forest biomass promotes forest conservation and investment in sound forest practices.

- One of the most effective means of conserving working forests is to provide market opportunities that will make forest management economically competitive with non-forest uses.

- Markets give forest owners the resources they need to reinvest in the land and thereby maintain clean water, wildlife habitat, soil productivity, recreation and open space across the landscape over the long term.
- As traditional markets decline, new markets, such as renewable biomass energy, must replace them in order to help forest owners conserve these important public benefits.
- Restrictive definitions of biomass that discourage or foreclose market opportunities reduce the economic value of forest lands, reduce or eliminate the ability of forest owners to reinvest in the land, and contribute to the likelihood of forest conversion and fragmentation.

A broad definition of forest biomass is compatible with sustainable forest management under the existing framework of laws, regulations and practices.

- The U.S. leads the world in sustainable forest practices using a mature and comprehensive framework of federal, state, local and private sector laws, regulations, programs and practices developed over decades and adapted to local conditions and needs. This framework includes:
    - Federal laws, such as the Clean Water Act, the Clean Air Act, the Endangered Species Act, the Migratory Bird Treaty Act, and the Coastal Zone Management Act
    - State-based water quality best management practices and land use regulations administered by state forestry and regulatory agencies
    - Forest stewardship plans and other management plans prepared by forestry professionals
    - Voluntary, third-party forest certification programs
    - Collaborative agreements
    - Federal and state conservation, research and technical assistance programs.
- The elements of this framework are well known to forest managers and state resource agencies, apply to all aspects of forest management, not just the production of biomass, and have a history of proven effectiveness.
- New federal regulations of private forest management imposed through a biomass definition would be redundant of and potentially pre-empt existing laws and regulations implemented at the state or local level, create conflicts and confusion in forest practices, and introduce litigation exposure for private lands that don't presently exist. Such regulations would unavoidably affect all aspects of forest management and manufacturing that produce biomass that can be used for energy.
- New federal regulations on private forest management would discourage the use of forest biomass for energy by energy producers and landowners alike who can't afford to incur significant costs increases and legal exposure.
- <u>The Senate Energy and Natural Resources Committee favored the exclusion of new federal regulations through a definition and removed such language from the definition of forest biomass reported out of Committee</u>.

A strong monitoring program is effective to confirm the sustainable use of forest biomass for energy over the long term.

- The federal government has a number of well-established and effective tools, like the Forest Inventory and Analysis Program that will be used to monitor the impacts of biomass utilization on landscapes over time.
- A strong monitoring program using such existing tools can help track the impacts of biomass utilization on the land, identify trends in forest extent and diversity, and provide the basis for corrective action, if needed.