Biomass Power Association Clean Power Plan Testimony to EPA

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My name is Carrie Annand. I serve as Vice President for External Affairs at the Biomass Power Association.

BPA is the national voice for energy derived from wood and agricultural products. Biomass power is found in more than 20 states, provides approximately 14,000 jobs and \$1 billion to the U.S. economy and is, in the words of Administrator McCarthy as she toured a biomass facility this week in New Hampshire, "an important part of our low-carbon future."

The importance of healthy forests in fighting climate change is beyond dispute.

America's forests are responsible for storing the equivalent of a third of all carbon emissions caused by the entire transportation sector, according to a report issued this week by researchers at the U.S. Forest Service.

That same report noted, however, that the ability of forests to function as carbon sinks is directly related to their ability to maintain markets for wood products, including bioenergy.

That's why forests in the Eastern United States—where land is actively managed and used for a variety of products including energy—are experiencing a net growth and carbon stocks are increasing. It also explains why some forests in the West—wracked with forest fires, pests, and lack of active management—are at risk of becoming sources of GHG emissions.

Not only do properly and actively managed forests serve as a mitigation for climate change, but the fiber from these forests, when used for energy, displaces fossil fuel.

Biomass feedstocks in this country are vastly underutilized. The Union of Concerned Scientists analyzed the potential and found that bioenergy can provide 20% of the Nation's electricity demand.

Co-firing biomass with coal would not only contribute to realizing the full potential of the resource, but would also significantly reduce existing carbon emissions from the country's aging fleet of coal plants. A report by the Rocky Mountain Institute and Earth Partners last year concluded that over 25% of coal used in this country could be displaced by co-firing biomass at existing coal plants. That is equivalent to 300 million tons of CO_2 annually.

EPA has correctly concluded that biogenic emissions are fundamentally different from fossil emissions. EPA's decision in the Clean Power Plan—to exempt biogenic emissions from facilities placed in service prior to 2013 from being regulated under the Clean Air Act—should be applauded.

At the same time, regulatory certainty is needed to begin to meet the full potential of biomass available in this country. If we are committed to preserving forests as carbon sinks—and utilizing fiber to displace fossil fuel—biomass must play a key role.

We make the following recommendations, and will submit more extensive written comments in January.

First, in developing a Model Rule, EPA should incorporate the role of qualified biomass for states that do not submit a SIP. Within this framework, EPA should show deference to existing programs that currently recognize biomass as a renewable feedstock. In every state where biomass facilities operate today, there exists a state renewable portfolio standard. And every one of those standards includes biomass as a qualifying source of energy. EPA should avoid doing the redundant work of "re-writing" what is, and is not, an approved feedstock.

The agency lacks the expertise to undertake such a review. Moreover, the Final Rule provides a definition of "qualified biomass" that gives the Agency significant flexibility to defer to state programs. The standard is not "zero emissions." Rather, it must be shown that biomass is a "method" to *control* CO₂ emissions. If a state concludes that a feedstock is per se renewable and should be favored over fossil fuels, that is a decision that the Agency should respect. Otherwise, EPA will be re-writing state renewable policies, which is fundamentally at odds with the Agency's overall deference to states.

Second, the tracking, verification, and auditing of biomass feedstocks can be achieved by relying upon existing state programs. Methods to assure that biomass is sourced sustainably vary by state. Some states rely upon third party certification while others involve state agency involvement. EPA should respect existing state programs. As Administrator McCarthy said this week, "states like New Hampshire have had centuries of understanding what sustainable forestry really means." In adopting a Model Rule, we urge EPA to rely upon existing tracking, verification, and auditing programs.

We sincerely thank Administrator McCarthy for calling attention to the role of biomass in the Clean Power Plan, and we look forward to engaging with the EPA and state regulators at the early 2016 biomass workshops the Agency announced this week.