



HELPING BIOPOWER HELP AMERICA

Extending Production Tax Credit Vital for Jobs,
Clean Electricity and Energy Independence



Biomass energy now provides over half of America's renewable "green" electricity — some 8,500 megawatts a year, reducing our dependence on foreign oil and providing enough electricity to light about 8.5 million American homes.

The federal tax credits that make this energy possible are set to expire in December 2009. Unless Congress takes action to extend them, this essential billion-dollar industry and the "green" electricity it provides will be put at serious risk.



Biopower is America's only "renewable" source of electricity that both replaces "carbon-based" fuels and actually reduces greenhouse gas (GHG) emissions. By using organic materials like scrap lumber, forest debris and agricultural harvest waste to fuel its plants, biopower eliminates 30 million tons of carbon dioxide annually by avoiding fossil fuels and preventing the release of GHG that would otherwise be released into the atmosphere if these organic fuels were left to decompose in the open.



GENERATES TEN TIMES MORE JOBS

In addition to producing clean electricity, biopower generates ten times the number of good-paying jobs found at a typical natural gas-fueled facility.

Each dedicated biomass facility provides up to two jobs per one megawatt of plant capacity, with another two jobs created indirectly for the collection, handling and transportation of the organic fuels used by the plants. This translates into about 7,000 jobs at the nation's existing biomass facilities, plus another 7,000 jobs outside the plants, mainly in economically depressed rural areas.



NEW PTC APPLIES ONLY TO NEW FACILITIES, NOT EXISTING PLANTS

Yet the production tax credit (PTC) recently approved by Congress applies only to new biopower facilities, not existing ones. To protect existing jobs, Congress needs to expand the PTC for existing biopower facilities, which is set to expire in December 2009.

Maintaining these existing facilities is vital to America's clean energy supply and the health of our rural economy. Most of these biopower plants operate in rural communities, providing jobs and tax revenue, while efficiently converting urban, forest and agricultural waste into energy, instead of dumping it in landfills or letting it rot in the open.

Extending the existing Section 45 PTCs would cost about \$130 million annually — but the return on this investment would be huge, and far less costly than the per-employee PTC cost for other generators.

COMPARE THE RETURN

TYPICAL 30 MW WINDFARM

- Employs 5 workers
- Receives \$1.6 million in production tax credits — about \$320,000 per employee annually

TYPICAL 30 MW BIOPOWER PLANT

- Employs 120 workers (in plant and outside)
- Receives \$2.2 million in production tax credits — about \$18,000 per worker

THE POWER OF BIOPOWER

- Biopower prevents over 30 million tons of organic waste a year from being dumped in landfills or left to decay in the open
- America's biopower industry provides some 14,000 good-paying jobs and generates about a billion dollars a year for the nation's economy
- Each biopower plant contributes about \$8 million to \$14 million annually to the local communities where they operate in payroll, purchases and property tax revenue

STATE	PLANTS	ECONOMIC VALUE	STATE	PLANTS	ECONOMIC VALUE
Arizona	1	\$12 million	Minnesota	3	\$36 million
Arkansas	1	\$12 million	New Hampshire	6	\$96 million
California	30	\$360 million	New York	2	\$24 million
Florida	2	\$24 million	North Carolina	1	\$12 million
Idaho	2	\$24 million	Oregon	8	\$72 million
Louisiana	1	\$12 million	Pennsylvania	1	\$12 million
Maine	9	\$108 million	Vermont	2	\$24 million
Massachusetts	1	\$12 million	Washington	4	\$48 million
Michigan	6	\$72 million			