



**American  
Forest & Paper  
Association**



**AMERICAN WOOD COUNCIL**

**American Forest & Paper Association  
and  
American Wood Council**

**Statement in Support of Senate Bill 752 (SB 752)  
Submitted for the Record  
Senate Committee on Environment and Natural Resources  
March 16, 2015**

The American Forest & Paper Association and the American Wood Council appreciate this opportunity to support and provide the following views to the Senate Committee on Environment and Natural Resources concerning SB 752, a bill that would conditionally exempt from regulation under certain air pollution laws carbon dioxide (CO<sub>2</sub>) emissions from combustion or decomposition of biomass.

**Introduction**

The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative - *Better Practices, Better Planet 2020*. The forest products industry accounts for approximately 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states.

The American Wood Council (AWC) is the voice of North American wood products manufacturing, representing over 75 percent of an industry that provides approximately 400,000 men and women with family-wage jobs. AWC members make products that are essential to everyday life from a renewable resource that absorbs and sequesters carbon. Staff experts develop state-of-the-art engineering data, technology, and standards for wood products to assure their safe and efficient design, as well as provide information on wood design, green building, and environmental regulations. AWC also advocates for balanced government policies that affect wood products.

## **SB 752: Exempting Biogenic CO<sub>2</sub> from Certain Air Pollution Laws**

Paper and wood products mills use biomass residuals from their manufacturing operations to produce bioenergy that provides significant carbon reducing benefits to the environment. AF&PA and AWC support SB 752 that recognizes the natural carbon cycle by exempting the biogenic CO<sub>2</sub> emissions from combustion and decomposition from certain air pollution laws.

### ***Science of the Natural Carbon Cycle***

As forests grow, CO<sub>2</sub> is removed from the atmosphere via photosynthesis. This CO<sub>2</sub> is converted into organic carbon and stored in woody biomass. Trees release the stored carbon when they die, decay, or are combusted. As the biomass releases carbon as CO<sub>2</sub>, the carbon cycle is completed.

The carbon in biomass will return to the atmosphere regardless of whether it is burned for energy, allowed to biodegrade, or lost in a forest fire. The net impact of these processes is that CO<sub>2</sub> flows in and out of forests and through the forest products industry by both biomass combustion and sequestration in products.

### ***Recognition of Renewable Biomass Energy***

The neutrality of biomass harvested from sustainably managed forests has been repeatedly recognized by an abundance of studies and is accepted by agencies, institutions, regulations and legislation. The European Union Emissions Trading System assigns biomass an emission factor of “zero”<sup>1</sup> and the Australian Clean Energy Act of 2011, which established Australia’s GHG emission reduction policy, specifically excludes emissions from combustion of biomass from coverage.<sup>2</sup>

The GHG reduction benefits of renewable biomass energy have been important components of U.S. energy and climate change policy. For example, the Federal Renewable Fuel Standard does not count GHG emissions emitted from fuel manufacturers’ combustion of biomass for energy<sup>3</sup> and the Energy Information Agency treats those emissions as carbon neutral. Further, Green-e Energy, the nation’s leading voluntary certification program for renewable energy, recognizes biomass energy.<sup>4</sup>

Oregon has long recognized biomass as renewable and carbon neutral, a policy that has worked well in supporting both forest health and the state’s rural economy. From 2009 to 2014, Oregon’s regulatory definition of greenhouse gases did not include CO<sub>2</sub> emissions from the combustion or decomposition of biomass. Or. Admin. R. 340-200-0020(61)(b). However, the Oregon Department of Environmental Quality retroactively eliminated the provision in a temporary rulemaking before the Environmental Quality Commission without public comment. SB 752 would reinstate and codify Oregon’s carbon neutrality policy.

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<sup>1</sup> Commission Regulation (EU) No 601/2012 of 21 June 2012 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council, p. 46.

<sup>2</sup> Clean Energy Act of 2011, Subsection E, section 30(3).

<sup>3</sup> 74 Fed. Reg. 24904 (May 26, 2009).

<sup>4</sup> Green-e Energy National Standard Version 2.2, page 3, footnote, [http://www.green-e.org/getcert\\_re\\_stan.shtml#standard](http://www.green-e.org/getcert_re_stan.shtml#standard).

### ***EPA's Recent Consideration of the Carbon Neutrality of Biomass***

Recently, there has been increased attention focusing on the carbon neutrality of biomass, and the U.S. Environmental Protection Agency recently issue a clear statement recognizing the carbon benefits of forest products mill residuals. On November 19, after 4 years of careful study, EPA released its *Framework for Assessing Biogenic CO<sub>2</sub> Emissions from Stationary Sources* (Accounting Framework) and an accompanying policy memorandum to EPA's Regional Air Division Directors. The report makes it clear that bioenergy from forest-derived industrial by-products have minimal or no net atmospheric contribution of CO<sub>2</sub> emissions or even reduce such impacts when compared to their alternative fate.

### **Conclusion**

AF&PA and AWC support SB 752 statutory recognition of the carbon neutrality of biogenic CO<sub>2</sub> emissions from combustion and decomposition. We respectfully request that you advance SB 752 from committee.

We thank the Committee for the opportunity to share our support. If you have any questions, please contact Terry Webber, Director, Government Affairs at [Terry\\_Webber@afandpa.org](mailto:Terry_Webber@afandpa.org) or (971) 235-8816.

