August 1, 2013

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
William Jefferson Clinton Federal Building
1200 Pennsylvania Ave., N.W.
Washington, D.C. 20460

Dear Administrator McCarthy:

The recent ruling by the U.S. Court of Appeals for the District of Columbia Circuit vacating EPA’s Deferral Rule for biogenic carbon emissions under the Tailoring Rule has created significant uncertainty for biomass and forest products facilities that have begun operations, construction, or major modifications since the July 20, 2011, effective date of the Deferral Rule. Companies and municipalities have made – and are planning to make – significant capital investments, including investments to comply with other environmental regulations (e.g., Boiler MACT), improve energy efficiency, produce biofuels, manage the nation’s wastewater treatment facilities effectively, and meet the growing global demand for pulp, paper-based packaging, wood products and energy, which now could be in jeopardy.

The court’s decision has created greater urgency to complete the amendments to the Tailoring Rule the Agency announced it would consider in its notice of proposed rulemaking for the Deferral Rule dated March 21, 2011. As EPA develops its rules, we recommend that provisions associated with biomass should be simple, practical, science-based, and fully capture the long-term carbon benefits of biomass energy. Regulations based on complex modeling, arbitrary assumptions, and a burdensome verification process will discourage biomass utilization as a renewable energy source and threaten the continued use of this important renewable resource as part of an "all of the above" energy policy.

We urge the Agency to recognize the significant and growing body of scientific findings concluding that carbon emissions from biomass do not introduce new carbon into the existing natural carbon cycle. For instance, in the United States, more wood is grown than harvested each year. So long as forest carbon stocks nationally are stable or increasing, biogenic carbon is not contributing to overall increases in atmospheric greenhouse gases and, therefore, PSD and Title V permit requirements should not be triggered. EPA’s policies should also recognize that use of agricultural residuals, non-forest biomass residuals and byproducts, and purposefully grown energy crops including crop-derived bio-materials, do not increase overall atmospheric carbon.

We also urge the Agency to work closely with the U.S. Department of Agriculture (USDA) in the development of the Agency's amendments to the Tailoring Rule. USDA has significant expertise in the forest carbon cycle and maintains – through the Forest Inventory and Analysis (FIA) program – the most extensive source of forest inventory data providing the basis for
ongoing analysis of forest carbon stocks. USDA is similarly expert in the beneficial uses of the full range of agricultural products and materials.

Finally, we urge EPA to reflect in its policy that one of the most effective means to maintain and increase the ongoing carbon benefits of U.S. forests is through a strong marketplace for forest products, including biomass. Expanding markets have helped forest owners and managers increase the overall inventory in our forests by over 50% since 1950, encouraging sustainable forest management and keeping land forested. Strong free markets encourage continued investments in forestry and maintenance of forest stocks for increased productivity and other forest benefits, including increased carbon sequestration. By adopting policies such as amendments to the Tailoring Rule that support this principle, EPA will not only capture the carbon benefits of biomass for energy production, but also help maintain all the benefits secured though a stable forest land base.

We stand ready to assist the Agency in finding solutions that secure the benefits of biomass energy as part of a diversified portfolio of renewable energy sources, as well as long-term forest ownership and retention, and look forward to working with the Agency to complete amendments to the Tailoring Rule in the near future.

Sincerely,

25x'25 Alliance
AGCO
Alabama Forestry Association
Alpha Solar Etc. LLC
Ameresco
American Agriculture Movement
American Council On Renewable Energy
American Farm Bureau Federation
American Forest & Paper Association
American Forest Foundation
American Wood Council
Anthony Forest Products Company
APA – The Engineered Wood Association
Arkansas Forest and Paper Council
Arkansas Forestry Association
Association of Consulting Foresters of America, Inc.
Association of Equipment Manufacturers
BayCorp Holdings Ltd.
BBC Land LLC
Beasley Forest Products, Inc.
Bibler Brothers Lumber Company
Bioenergy Project Partners, LLC
Biomass One, LP
Biomass Power Association
Biomass Thermal Energy Council
Biotechnology Industry Organization (BIO)
Black Hills Forest Resource Association
Boise Cascade Company
Boise Inc.
Bruce Arnold
Buckeye Technologies Inc.
Burt English
California Forestry Association
The Campbell Group, LLC
Cato Analytics, LLC
Clean Fuels Development Coalition
Clearwater Paper Corporation
Colorado Forestry Association
Colorado Timber Industry Association
Corn Refiners Association
CropLife America
Deltic Timber Corporation
Domtar
Dr. Cornelius Murphy, President, State University of New York College of Environmental Science and Forestry
Dr. Timothy Volk, State University of New York College of Environmental Science and Forestry
DTE Energy Services, Inc.
Empire State Forest Products Association
Energy Management, Inc.
Environmental and Energy Study Institute
Exergy Integrated Systems
Federal Forest Resource Council
Flambeau River Papers
Flick Seed Company
Florida Forestry Association
Forest Investment Associates
Forest Landowners Association
Forest Products National Labor Management Committee
Forest Resources Association
Fred Yoder
General Biofuels
Georgia Forestry Association
Georgia-Pacific LLC
Giustina Resources, LLC
Glatfelter
Global Forest Partners LP
GMO Renewable Resources
Graphic Packaging International, Inc.
Green Circle Bio Energy Inc.
Green Diamond Resource Company
Greenleaf Power Company
Growth Energy
Hancock Timber Resource Group
Hardwood Federation
Hardwood Plywood and Veneer Association
High Desert Forest Products
High Desert Investment Company
Idaho Forest Group
Indiana Hardwood Lumberman’s Association
Intermountain Forest Association
Iowa Renewable Fuels Association
Irving Woodlands, LLC
Jefferson County (NY) Industrial Development Agency
JM Longyear, LLC
John Deere
Jon Montan, New York Biomass Energy Alliance
KapStone Paper and Packaging Corporation
Kentucky Forest Industries Association
Lake States Lumber Association
The Langdale Company
Lincoln Paper and Tissue, LLC
Lone Rock Timber Management Company
Louisiana Forestry Association
Louisiana Pacific Corporation
Maine Pulp & Paper Association
Massachusetts Forestry Association
Merrill & Ring
Michigan Biomass
Michigan Forest Products Council
Michigan-California Timber Company LP
Minnesota Forest Industries
Minnesota Timber Producers Association
Mississippi Forestry Association
The Molpus Woodlands Group, LLC
Montana Wood Products Association
MWV
National Alliance of Forest Owners
National Association of State Foresters
National Corn Growers Association
National Cottonseed Products Association, Inc.
National Farmers Union
National Oilseed Processors Association
National Public Energy Inc.
National Rural Electric Cooperative Association.
National Wood Flooring Association
National Woodland Owners Association
New England Wood Pellet LLC
New York Biomass Energy Alliance
NewPage Corporation
North American Equipment Dealers Association
North Carolina Association of Professional Loggers, Inc.
North Carolina Forestry Association
The Northeastern Loggers' Association
Northern Arizona Loggers Association
Oglethorpe Power Corporation
Ohio Forestry Association
Oregon Forest Industries Council
Oregon Women in Timber
Otoka
Pennsylvania Forest Products Association
Plum Creek Timber Company
POET
Port Blakely Tree Farms, LP
Port Townsend Paper Corporation
Potlatch Corporation
Rayonier Inc.
Recast Energy, LLC
Red River Forests, LLC
ReEnergy Holdings, LLC
Regions Timberland Group
Resolute Forest Products
Resource Management Service, LLC
Ribelin Logging Company
RockTenn
Rollcast Energy, Inc.
Shasta Forests Timberlands, LLC
Sierra Pacific Industries
Simpson Lumber Company, LLC
Simpson Tacoma Kraft Company, LLC
Society of American Foresters
South Carolina Forestry Association
South Dakota 25x’25 Alliance
Southeastern Lumber Manufacturers Association
Starker Forests, Inc.
Superior Pine Products Company
Tennessee Forestry Association
Texas Forestry Association
Thompson Hardwoods, Inc.
Tim Reich
Timber Products Company
Timberland Investment Resources, LLC
Treated Wood Council
U.S. Industrial Pellet Association
Virginia Forest Products Association
Virginia Forestry Association
Washington Forest Protection Association
Wells Timberland REIT
West Fork Timber Company
Western Hardwood Association
The Westervelt Company
Weyerhaeuser Company
White City Holdings LLC
Wisconsin Paper Council
Wood Component Manufacturers Association

cc: The Honorable Tom Vilsack, Secretary, Department of Agriculture