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A [blog](#) from Dave Tenny, NAFO President and CEO, March 11, 2014

## Three reasons why it's time to get the policy right on biomass energy carbon accounting

The clock is ticking on the Environmental Protection Agency's (EPA) efforts to develop a workable carbon accounting approach for biomass energy greenhouse gas (GHG) emissions. Nearly three years ago the agency committed to complete by this July a final rule on biomass to address problems arising from the June 2010 "Tailoring Rule," which for the first time treated biomass carbon emissions the same as fossil fuel emissions.

The Tailoring Rule disregarded the fact that trees and other plants recycle atmospheric carbon. After hearing concerns from NAFO and allied organizations, the science community, members of Congress and other policy makers EPA decided to defer the Rule's treatment of biomass emissions for three years while the agency revisited the treatment of biomass.

During the intervening time the legal picture surrounding the Tailoring Rule has become murky. Last month, the Supreme Court heard oral argument on a petition challenging the validity of the Rule. In June the Court will render its decision. The outcome is uncertain, and the future of the Tailoring Rule hangs in the balance.

This uncertainty should not deter EPA from adopting a final biomass energy carbon accounting framework within the timeframe the agency established. In fact, agency action to recognize the carbon benefits of biomass energy in a clear, simple and binding way is needed now more than ever for at least three reasons.

**Removing investment uncertainty.** As it stands those who are interested in building, modifying or converting existing facilities as well as those who acted in good faith on the EPA deferral rule are still in limbo. The question mark hovering over investment decisions is whether federal policy will treat biomass as a low carbon energy solution, a regulated source or something in the middle that is complicated to determine. The only way to overcome this uncertainty is for EPA to adopt a policy that clearly and simply establishes that biomass is a low carbon energy solution.

**Clarifying the role of biomass in federal energy policy.** EPA has several policy irons in the fire with respect to energy and GHG emissions. Several of these, like the Tailoring Rule and the forthcoming New Source Performance Standards for coal fired facilities, provide compliance options to energy producers to meet emissions requirements. Unless EPA adopts a clear and simple biomass accounting framework to plug into these policies, biomass will not be a compliance option. This tilts the playing field against biomass not only with respect to EPA's GHG regulations, but also with respect to its role in any "all of the above" energy strategy.



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**Promoting the carbon mitigation benefits of private forests.** The President's Climate Action Plan asserts that working forests are part of the climate change solution and looks to these forests to provide important climate change mitigation benefits. Continued ambivalence regarding the role of biomass as a low carbon energy solution distracts significantly from this message and confuses the role of forests in the President's plan. Strong new and existing markets for forest products have helped produce 50 percent more total tree volume in the U.S. since the 1950s and now contribute to the removal of 14-15 percent of our nation's annual CO2 emissions. A strong mitigation strategy for forests must include clear market signals for forest products, including energy. As stated by the Intergovernmental Panel on Climate Change, "In the long term, a sustainable forest-management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual yield of timber, fibre or energy from the forest, will generate the largest sustained mitigation benefit."

The bottom line is that EPA should complete its rulemaking on carbon accounting for biomass no matter what. Doing so will remove the cloud of uncertainty over biomass energy investment, provide an option to achieve GHG emissions reductions in federal energy policy and remove a significant deterrent to full forest owner engagement in the President's Climate Action Plan. The time to act on this is now so wood biomass and the forests that produce it can resume their role as part of the energy and climate solution.

[Dave Tenny, NAFO President and CEO](#)

NAFO is an organization of private forest owners committed to advancing federal policies that promote the economic and environmental benefits of privately-owned forests at the national level. NAFO membership encompasses more than 80 million acres of private forestland in 47 states. Working forests in the U.S. support 2.4 million jobs. To see the full economic impact of America's working forests, visit <http://www.nafoalliance.org/working-forests/jobs-economic-growth>.

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Richard P. Vlosky, Ph.D.  
Director Louisiana Forest Products Development Center  
Crosby Land & Resources Endowed Professor of Forest Sector Business Development  
Room 227, School of Renewable Natural Resources  
Louisiana State University  
Baton Rouge, LA 70803  
Phone (office): (225) 578-4527  
Fax: (225) 578-4251  
Mobile Phone: (225) 223-1931

