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Submitted via email: GHGbiogenic@epa.gov

U.S. Environmental Protection Agency
EPA Docket Center (EPA/DC)
Mailcode 28221T
Attention Docket ID No. EPA-HQ-OAR-2011-0083
1200 Pennsylvania Avenue NW
Washington, DC 20460

RE: Comments from the Biomass Thermal Energy Council on Docket ID No. EPA-HQ-OAR-2011-0083

To Whom It May Concern:

The Biomass Thermal Energy Council (BTEC) appreciates the opportunity to comment on the Environmental Protection Agency's (EPA) proposed three year permit deferral for emissions from bioenergy and other biogenic sources (Docket ID No. EPA-HQ-OAR-2011-0083). BTEC is committed to advancing the use of biomass for highly efficient heating, cooling, and combined heat and power applications. We aim to utilize one of America's most abundant renewable resources—biomass—to displace fossil fuel-based sources of thermal energy. Our membership spans over 30 states and includes landowners, fuel producers, equipment manufacturers, and many others who are observing the EPA's proposed three year permitting deferral and assessing its impact on the promotion efficient biomass utilization.

We cannot emphasize enough the importance of increasing the use of biomass to displace fossil fuels for thermal applications. The Energy Information Administration has reported that *roughly one-third of U.S. energy consumption* is for thermal applications, such as industrial process heat and residential and commercial space heating. Access to biomass resources is key to transitioning businesses, homeowners, and public facilities away from fossil fuel dependence for their heating-related requirements. Yet, in order for the private sector to make investments in efficient biomass thermal systems, regulatory policy ought not to be structured in a manner that unnecessarily stifles market adoption.

While the EPA's decision to defer biogenic permitting and conduct rigorous studies is welcomed, today's proposed rulemaking injects a level of uncertainty into the biomass markets and erodes confidence in bioenergy development. In September of 2010, BTEC submitted comments on the EPA's previous Prevention

of Significant Deterioration rulemaking (Docket ID - No: EPA-HQOAR-2010-0560), comments that highlighted policy precedents at the state, federal, and international that support biomass carbon neutrality in greenhouse gas accounting frameworks and renewable energy programs.¹ The contents of today's rulemaking continue down the path of carbon and biomass misperceptions, especially regarding the categorization of biomass feedstocks, carbon accounting timeframes, and sustainable forestry standards. BTEC's following comments expand on these considerations and conclude with a commitment to assist EPA during the deferral process.

Differentiation between Biomass Feedstocks

Biomass feedstocks, whether used as a direct fuel for bioenergy systems or for advanced biofuel production of briquettes and pellets, are derived from a multitude of sources. In 2005, the National Renewable Energy Laboratory calculated available biomass feedstocks at above 460 million tons, with a diversity of sources from agricultural lands and residues from forest, mill, and urban waste streams.² When combusted, these biomass fuels contribute no new net carbon into the atmosphere; they are releasing previously sequestered carbon. However, select comments in both the EPA's Notice of Proposed Rule Making and Guidance for Best Achievable Control Technology (BACT) suggest that biomass feedstocks ought to be separated by their carbon impact, with certain feedstocks fulfilling BACT requirements. This approach is problematic for several reasons, namely administrative complexities and potential land use regulation.

As noted, biomass comes in many forms and from many sources. Differentiating between biomass feedstocks for BACT permitting could require the EPA to begin regulating feedstock sourcing, land use, and determining sustainable sourcing requirements (to be discussed below). This would potentially open the door to federal greenhouse gas regulation of lands, which is a controversial issue, and one that has been traditionally relegated to the states. Additionally, asserting differences in biomass feedstocks, even in "broad categories" as outlined in the BACT document, would pick certain biomass feedstocks as more desirable than others.³ Biomass feedstock utilization is a decision best left to land owners, market forces, and local jurisdictions; selecting certain feedstocks risks distorting bioenergy and related forest product markets. BTEC

¹ Biomass Thermal Energy Council, "Comments on EPA Tailoring Rule," 13 Sept., 2011,

http://biomassthermal.com/pdf/BTEC_PSD_Tailoring_Rule_Comments.pdf

² Milbrant, A, 2005, *A Geographic Perspective on the Current Biomass Resource Availability in the United States*, NREL Technical Report 560-39181, <http://www.nrel.gov/docs/fy06osti/39181.pdf>

³ U.S. Environmental Protection Agency, "Guidance for determining best available control technology for reducing carbon dioxide emissions from bioenergy production," Office of Air and Radiation, March 2011,

<http://www.epa.gov/NSR/ghgdocs/bioenergyguidance.pdf>, pg. 21

encourages the EPA to embrace the underlying qualitative carbon neutrality of biomass feedstocks and avoid a potentially confusing application of granting carbon neutrality for some biomass sources and not others.

Biogenic Accounting Timeframe

Assessing the appropriate timeframe for tracking emissions from biomass combustion and conversion processes is a policy—not scientific—determination. The earth’s carbon cycle is continuous and occurs across the globe. Placing a discrete time frame of x-years to capture carbon emissions discounts the previous effect of vegetation growth and sequestration. Yet, the EPA appears to be pursuing a carbon debt approach with acceptable atmospheric impact timeframes of 10-15 years.⁴ As will be noted below, forest management involves a system-wide assessment of carbon emissions from biomass conversion processes balanced by (but more often surpassed by) biomass growth and the resulting sequestration. An accounting model that arbitrarily decides a single location’s starting point for biogenic emissions ignores the continuous and system-wide cycle of biomass growth and carbon sequestration. BTEC believes that it is premature to reverse biomass carbon neutrality conclusions based upon a new accounting methodology.

Resource Management and Sustainability

The widespread adoption and advancement of biomass thermal fuels and technologies is contingent upon biomass resource sustainability and forest management practices. In recent comments to the Senate Energy and Natural Resources Committee on a Clean Energy Standard, BTEC stated that biomass thermal fuels—whether from forest or agricultural sources—should be a clean energy source, and, when managed in a sustainable manner, biomass does not contribute net carbon emissions into the atmosphere. Challenges ensuring resource sustainability are in use by non-governmental entities and state authorities. Federal legislation has recognized the hazards of mandating standards from a high level, as forest system needs often range by region, year, and circumstance.

Over the last century, forest stock has increased by nearly 50%, a growth running parallel to national economic expansion and greater resource use.⁵ Further, forest management decisions on growth and harvest are often projected decades in advance of potential uses, thereby sequestering future carbon emissions in the process. Forest tracts must be given the flexibility to practice sustainable forestry as deemed appropriate by their jurisdiction. Treatment of biomass resources is fluid, despite EPA’s assertion

⁴ Ibid, pg. 23

⁵ Society of American Foresters, “State of America’s Forests,” 2007,

<http://www.safnet.org/publications/americanforests/StateOfAmericasForests.pdf>

that accelerated resource use in one location produces overall net atmospheric carbon levels above baseline.⁶ Emissions should be analyzed from a system level. Increased resource use in one location can be offset by growth in another location. Net carbon levels are not static, and biomass drawn from one site within a system influences harvest and management (sequestration) on other sites.⁷ Deviations from sustainable forestry are already accounted for by the Land Use, Land-Use Change and Forest (LULUCF) protocol from the United Nations Framework Convention on Climate Change. BTEC encourages the EPA during its rulemaking to not duplicate this accounting process nor risk double counting emissions from the energy sector.

Concluding Remarks

If the nation intends to transition away from fossil fuel use, biomass resources must be accessible and recognized for their renewable nature. Displacing finite fossil heating fuels with locally-sourced biomass is one of the most efficient and economical pathways to energy independence, rural economic growth, and promotion of forest health. BTEC recommends that during its proposed three-year deferral, the EPA examine and evaluate its and others' comments with the ultimate goal of responsibly supporting renewable energy use from our nation's forests and farmlands. To this end, BTEC offers its support during the deferral review process.

⁶ "Deferral for CO₂ Emissions From Bioenergy and Other Biogenic Sources Under the Prevention of Significant Deterioration (PSD) and Title V Programs: Proposed Rule," Federal Register, pg. 15258, Vol. 76, No. 54

⁷ Segjo, R, "Carbon Neutrality and Bioenergy: A Zero Sum Game?," Resources for the Future, April 2011,

<http://www.rff.org/Publications/Pages/PublicationDetails.aspx?PublicationID=21524>