Maine Forest Products Council

The voice of Maine's forest economy

Companies represented on the MFPC Board

American Forest Mgmt.
Baskahegan Co.
BBC Lands LLC
Cross Insurance
Family Forestry
Farm Credit East
Fontaine Inc.
Hancock Lumber
H.C. Haynes
Huber Resources
Innovative Natural Resource Solutions
J.D. Irving
JM Cote Co.
Katahdin Forest Mgmt.
Key Bank
LandVest Inc.
Limington Lumber
Louisiana Pacific
Maibec Logging
Nicols Brothers
Pingree Associates
Pleasant River Lumber
Prentiss & Carlisle
ReEnergy
Richard Wing & Son
Robbins Lumber
Sappi NA
Southern Maine Forestry
Stead Timberlands
TD Bank
Timber Resource Group
Timberstate G.
Verso Paper
Wadsworth Woodlands
W.T. Gardner & Sons
Wagner Forest Mgt.

To: Jeffrey Crawford, Maine Department of Environmental Protection
From: Maine Forest Products Council (MFPC)
Date: May 15, 2018
RE: Opposition to Citizen Petition for Rulemaking to Reduce Greenhouse Gas Emissions

The Maine Forest Products Council, which has represented our state's diverse forest products community since 1981, strongly opposes this petition because:

- Maine already has made great progress toward reducing greenhouse gases. According to MDEP's 2018 report, "Statewide CO2 emissions remain at least 10 percent lower than 1990 levels in large part because of the use of lower carbon fuels such as natural gas and increased efficiencies." Maine has one of the nation's lowest energy-related carbon dioxide emissions, ranking 45th out of the 50 states, according the U.S. Energy's Information Administration's 2018 report. *(See charts, Page 4)*

- In Maine, emissions from fossil fuels are greatest in the transportation and heating sector, not power generation. *(See chart, Page 5)*

- Requiring 8 percent reduction in emissions *per year* is not only excessive, but impossible, especially since efficiencies already have been a strong focus of forest products facilities. The ability to reduce emissions through boiler technology is limited, and therefore efficiency measures to reduce overall usage are the only mechanism to reduce emissions. Our manufacturers have actively participated in Efficiency Maine projects designed to lower electricity consumption.

- The same applies to the requirement that trucks with a potential to emit 5,000 tons per year of CO2e must reduce emissions by 8 per year and that diesel trucks in excess of 18,000 pounds meet unspecified CO2e limits apparently to be enforced by the state police. This is unnecessary and unachievable. In our industry alone it takes around a million truckloads of wood to get from stump to the manufacturing site.

- These policies need to be developed at a regional or national level, otherwise states can be at a serious competitive disadvantage. That's why Maine participates in the Regional Greenhouse Gas Initiative (RGGI), along with Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont to cap and reduce power sector CO_2 emissions.

CARBON NEUTRALITY WOOD-BURNING EMISSIONS

- The petition does not acknowledge that the carbon neutrality of biomass harvested from sustainably-managed forests has been recognized repeatedly by an abundance of studies, agencies, institutions, legislation and rules around the world, including the new policy announced by the Environmental Protection Agency (EPA) on April 23, which the agency will now define wood as a "carbon-neutral" fuel for many regulatory purposes. *(EPA's Treatment of Biogenic Carbon Dioxide (CO2) Emissions from Stationary Sources that Use Forest Biomass for Energy Production)*. [1]

[1] https://www.epa.gov/sites/production/files/2018-04/documents/biomass_policy_statement_2018_04_23.pdf

- Scientists from Maine and throughout the country identify the scientific reality that biogenic carbon is neutral because the emissions from wood burning are offset by the sequestering of carbon in sustainably managed forests. *Read letter*.[2] Local forest scientist have supported this policy position based on Maine's forest dynamics. *Read op-ed*.[3]
- Maine's Congressional delegation also has been supportive of biomass importance in the national debate about emissions and recognize its important role in Maine's forest industry. *Read op-ed.*[4]
- Maine's and the nations actively managed forests sequester carbon and forest products are manufactured into long-lived a carbon sequestered products. A 2014 *Journal of Forestry* article, *"Forest Carbon Accounting Considerations in U.S. Bioenergy Policy,"*[5] summed up the four research-based insights "essential to understanding forest bioenergy and 'carbon debts.' "

  1. "As long as wood-producing land remains in forest, long-lived wood products and forest bioenergy reduce fossil fuel use and long-term carbon emission impacts."

  2. "Increased demand for wood can trigger investments that increase forest area and forest productivity and reduce carbon impacts associated with increased harvesting."

  3. "The carbon debt concept emphasizes short-term concerns about biogenic CO2 emissions, although it is long-term cumulative CO2 emissions that are correlated with projected peak global temperature, and these cumulative emissions are reduced by substituting forest bioenergy for fossil fuels."

  4. "Considering forest growth, investment responses, and the radiative forcing of biogenic CO2 over a 100-year time horizon (as used for other greenhouse gases), the increased use of forest-derived materials most likely to be used for bioenergy in the United States results in low net greenhouse gas emissions, especially compared with those for fossil fuels."

For three decades, biomass has been an integral part of the state's $8.5 billion forest economy, which supports more than 33,000 (direct and indirect) statewide. Not so long ago these limbs and tree tops would have decomposed in the woods. If forest products residuals from Maine's sawmills and other manufacturing facilities weren't used for bioenergy, they would be overflowing landfills.

Instead, biomass is turned into energy, providing 24 percent of Maine's electricity, the largest share of any state except Vermont, and our state has the highest generation per capita of electricity from biomass in the nation, according to the U.S. Energy Information Administration.

To put it simply, there's nothing wrong with using our state's renewable, sustainable, plentiful resource to produce energy. Loggers, landowners, mills, forests, the environment, and state and local economies all benefit from biomass, which otherwise would go to waste. Additionally, Maine sawmills and wood manufacturers also use the thermal heat from wood boilers in their dry kilns and manufacturing processes.

MAINE FOREST MANUFACTURERS THAT WOULD BE AFFECTED BY THESE RULE CHANGES

Here's a quick estimate of major employers in the forest sector could be affected by this petition:

Catalyst Paper, Rumford

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[2] https://yosemite.epa.gov/sab/sabproduct.nsf/5CD1E1184181455E85257F7F005B2F12/$File/NARFU+FINAL+SAB+March2016+Letter.pdf

[3] https://bangordailynews.com/2016/04/18/opinion/contributors/bioenergy-from-working-forests-is-carbon-friendly-with-many-other-benefits-to-maine/

[4] https://www.pressherald.com/2016/02/29/maine-voices-it-makes-sense-to-use-maines-forest-biomass-to-produce-energy/

[5] http://www.twosidesna.org/download/Forest-Carbon-Accounting-Considerations-in-US-Bioenergy-Policy.pdf

Hancock Lumber, Bethel

Huber Engineered Woods, Easton

Irving Forest Products, Ashland and Dixfield

Louisiana Pacific, New Limerick

Maibec Lumber, Masardis

Maine Wood Pellet Co., Athens

Moose River Lumber, Moose River

Pleasant River Lumber, Sanford, Hancock and Dover-Foxcroft

ReEnergy, Ashland, Fort Fairfield, Livermore Falls and Stratton

Robbins Lumber, Searsmont

Sappi, Westbrook and Skowhegan

Stored Solar, Jonesboro and West Enfield

Stratton Lumber, Stratton

Verso Androscoggin, Jay

Woodland Pulp, Baileyville

The Council strongly opposes this complex and extremely costly change in state policy. Maine's policy to date has been based on reasonable goals, practical science, and an understanding of the importance of the forest industry to Maine's green economy. In an industry that is rebounding from recent market losses the regulatory instability represented by this rulemaking petition place a strain on our efforts to encourage more capital investment in the forest industry in Maine.

Maine's forests are the foundation of our state's green economy. As Dr. Robert Wagner, former forestry professor at the University of Maine and director of the centers for forest research and forest sustainability, said, "Wood is the most environmentally sound material on earth. It is renewable, highly versatile, grown with relatively little effort, carbon friendly and it's produced and stored as forests that provide clean air, water, wildlife habitat, biodiversity, recreation and beautiful vistas."

Thank you for your consideration.

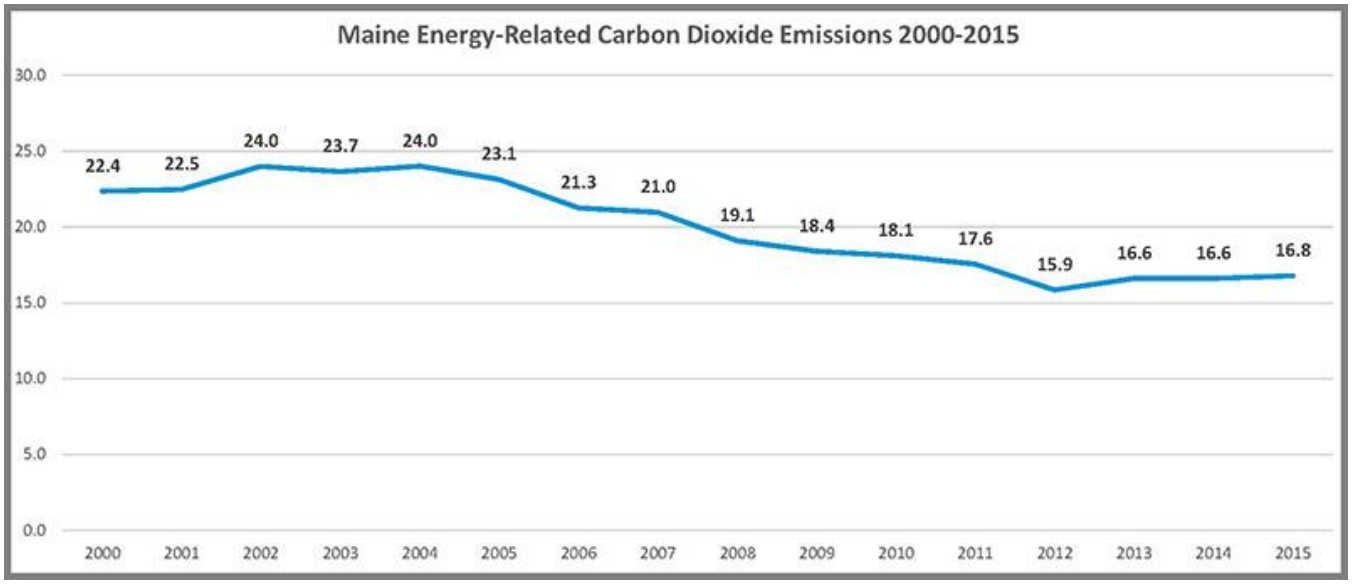
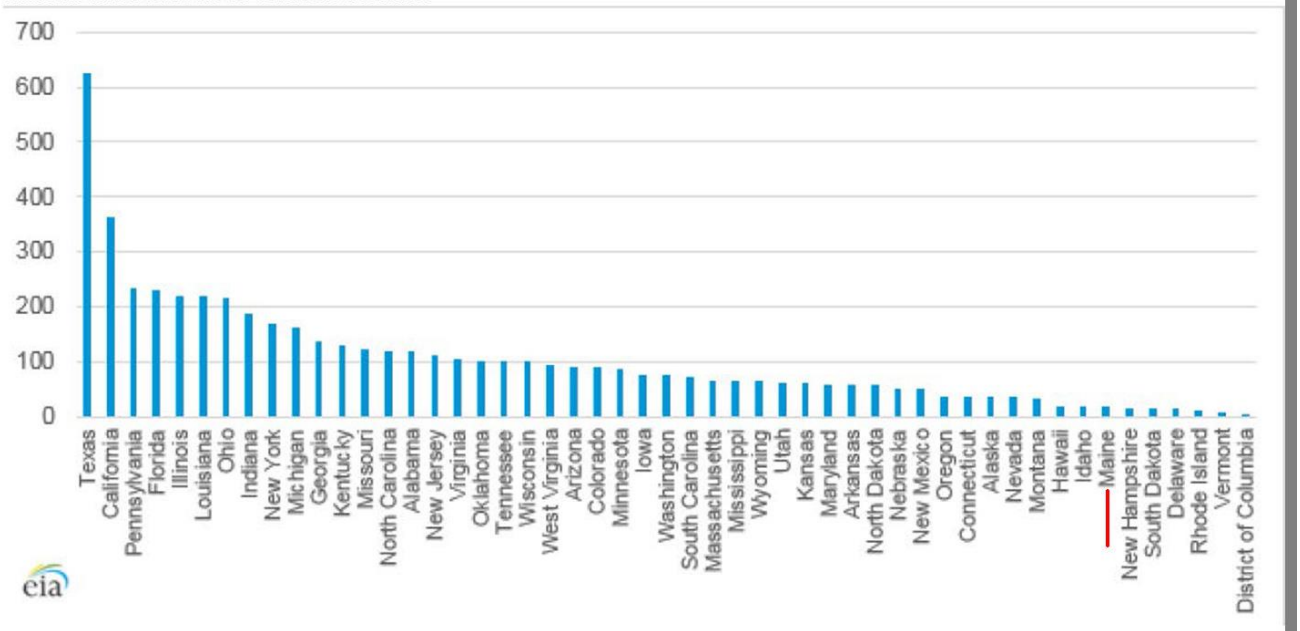


Figure 1. Energy-related carbon dioxide emissions by state, 2015

million metric tons of carbon dioxide



Source: EIA, State Energy Data System and EIA calculations made for this analysis.

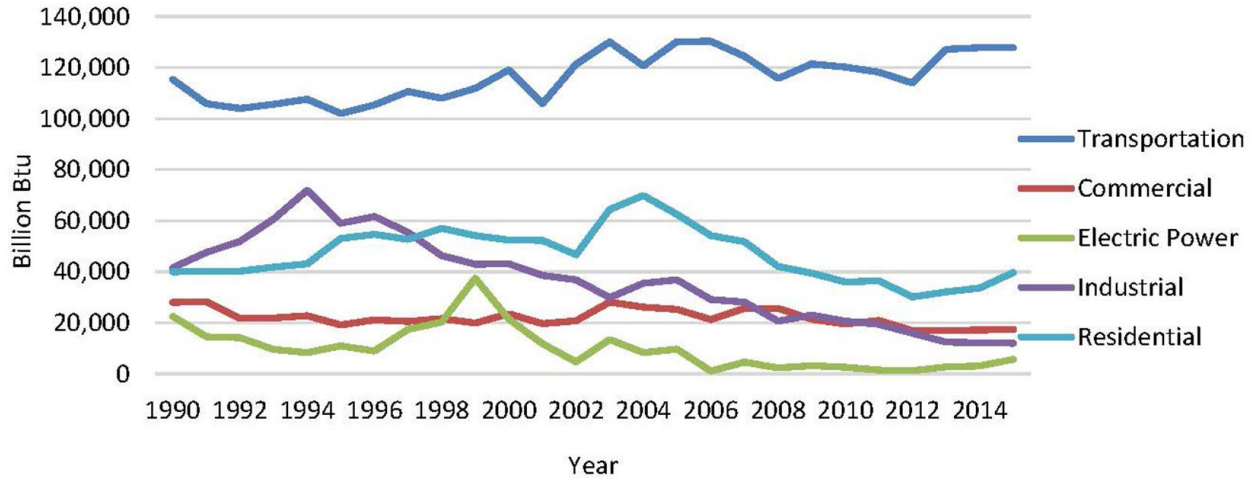


Figure 5. Maine petroleum consumption by sector (BBtu) 1990-2015

[6] Data Source: EIA State Energy Data System (https://www.eia.gov/state/seds/seds-data-complete.php, file name: use_all_btu.csv)