

American Forest & Paper Association and American Wood Council
Testimony to the EPA Science Advisory Board
Biogenic Carbon Panel Public Hearing
March 25, 2015

Members of the Biogenic Carbon Panel, good morning. My name is Paul Noe, and I am speaking on behalf of the American Forest & Paper Association and the American Wood Council. We appreciate this opportunity to comment on EPA's revised draft Framework for Assessing Biogenic CO₂ Emissions from Stationary Sources.

AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, and wood products manufacturing industry. The forest products industry accounts for nearly 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs nearly 900,000 men and women.

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.

The use of biomass for energy generation in forest products mills is an integral, highly efficient, and sustainable part of the manufacturing process for forest products. The forest products industry is the largest producer and user of bioenergy of any industrial sector. On average, about two-thirds of the energy used by our industry comes from biomass—primarily residuals that are generated during the manufacturing process. Utilizing biomass residuals to produce thermal and electric energy, usually with highly efficient combined heat and power systems, is the most sustainable use of these materials. Using biomass residues on site for energy avoids the use of fossil fuels, the energy that it would take to produce and transport that fossil fuel, and the landfill space that would be needed to dispose of the residual biomass, as well as all the resulting greenhouse gas emissions that would accompany that alternative fate. We appreciate

that you and EPA recognized the importance of the forest products industry's unique production and use of bioenergy.

As detailed in the revised Framework, the baseline approach and factors and assumptions used in the baseline will affect how facilities or categories of biomass are assessed by policymakers using the Framework. The Framework should recommend a baseline approach that is easy to implement, workable in practice, predictable, transparent, and consistently applied in a regulatory context. Any factors considered in modeling baselines should be consistently applied for all types of GHG emissions (fossil fuel and biomass), temporal scales, and other policy considerations.

EPA's revised Framework reveals that the future anticipated baseline approach is inherently complex and dependant on the modeling assumptions and predictions. Indeed, the highly technical and complex issues raised in the charge questions themselves highlight the challenges and complexities inherent in a future anticipated baseline approach. The degree and scope of modeling assumptions and predictions needed for this baseline approach would introduce a wide margin of error that would impact how biogenic emissions are assessed by policymakers and could obscure the potential climate benefits from bioenergy that EPA has already acknowledged.

The Framework can help guide policymakers in evaluating biogenic CO₂ emissions from stationary sources in different regulatory contexts. We believe that for EPA's regulation of greenhouse gas emissions from stationary sources, a reference baseline approach that uses current and historical data provides a more straightforward and transparent way to assess whether there are any atmospheric impacts from the use of biomass for energy. While a reference baseline approach may have limitations, it is much more objective than a future anticipated baseline approach. In fact, a recent commentary published in *Nature Climate Change*, entitled "Uncertainty in Projecting GHG Emissions From Bioenergy" demonstrates that reference point baselines have actually been more accurate predictors of future forest inventories than future anticipated baselines. Moreover, a future anticipated baseline likely will involve greater

complexity and cost to the regulatory system, which could reduce incentives to keep lands forested, particularly for smaller entities. We believe that any Framework must be simple and easy to understand, able to be efficiently and practically implemented, and accurately reflect what is actually occurring.

We also agree the Framework should be based on robust data and science. In the Appendices to the Framework, EPA indicates that there is no single correct spatial scale for applying the Framework and emphasizes that factors including data availability and tradeoffs should be considered. We support the use of data from the U.S. Forest Service's Forest Inventory and Analysis program to assess biogenic CO₂ emissions from stationary sources. Using a broad spatial scale, rather than focusing on particular plots of land, captures the growth that is continuously taking place on the vast majority of plots that have not been harvested during the particular time period being assessed and is, therefore, more comprehensive and informative. We have worked with the Administration over the years to improve and increase funding for the FIA program to ensure accurate data is available for applications such as the Framework. We hope that you will support the need for adequate funding of the FIA program to help ensure that EPA's carbon accounting is based on robust data.

In addition to using a broad spatial scale, we believe that biogenic CO₂ emissions should be assessed on a long timeframe. Assessing biogenic emissions in the short term or on a small scale only measures a portion of the carbon cycle and could result in misleading conclusions regarding the benefits of biomass for greenhouse gas mitigation over the long term. Forestry requires long-term planning and commitments. Using a short timeframe would not fully capture the investment response – increased planting and more intensive land management -- that often results from increased demand for wood.

Conclusion

In conclusion, during your review of the charge questions, we urge you to carefully consider how EPA's Framework will be implemented. It is crucial that EPA's

Framework be not only scientifically sound, but also practical, clear, predictable, transparent, and cost-effective in various policy contexts.

Thank you for the opportunity to testify today. We look forward to working with the Panel as it continues its important work.