



Oregon

John A. Kitzhaber, MD, Governor

Department of Forestry

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"STEWARDSHIP IN FORESTRY"

Honorable Arnie Roblan, Chair
Senate Committee on Rural Communities and Economic Development
347 State Capitol
Salem, OR 97301

Re: Senate Bill 1578

Dear Senator Roblan and Members of the Committee:

The Oregon Department of Forestry supports Senate Bill 1578, as amended, to make biomass an eligible green energy technology to meet the state's 1.5 percent investment requirement for new public buildings and major renovations.

The inclusion of biomass as an allowable technology is consistent with the goals of original green-energy legislation and subsequent amendments.

The Legislature passed HB 2620 in 2007 as a means of stimulating demand for solar technologies, fostering the growth of the state's solar industry, and lowering the carbon footprint of the state's buildings. The Legislature amended the law in 2012 to include geothermal technologies. The logic for including biomass in the 1.5 percent requirement aligns perfectly with the goals of increasing green technology options for the end user and recognizes the diversity of Oregon's renewable resources.

In some communities and some buildings, solar technology is going to make the most sense. By allowing geothermal to qualify, the legislature recognized that, in some cases, geothermal would present the most compelling value proposition to the end user. The inclusion of woody biomass as an allowable technology is a natural extension of both the logic and the legislation. In some communities and for some buildings, the most compelling and economically viable green technology option will be the use of woody biomass.

The inclusion of green technologies at state facilities also helps promote the use of these technologies in the private sector. It is well known that the adoption of new technology follows a predictable path with early adopters and early market entrants clearing a path for others. This pattern holds true for solar, geothermal, biomass and other renewables.

With 20 existing woody biomass heat systems operating at public facilities across the state, Oregon has a strong track record of initial success, and we are poised for continued growth. We have facilities in all four corners of the state with strong performance. This combination of density and performance helps potential end users understand that biomass technology is being used by their neighbors and colleagues across the state. The inclusion of biomass in this state's 1.5 percent requirement would continue to

densify the map of facilities using biomass, making it that much easier to foster adoption by the private sector.

Why the development of robust biomass markets is important

Biomass technology supports ongoing employment and forest health benefits. End users will need deliveries of biomass fuel for heating, cooling, and/or electrical generation. The ongoing demand for biomass fuel is a source of stable employment and a steady market for the by-products of forest management and wood products manufacturing.

Biomass heating, cooling, and electrical generation technologies offer mature, commercially-proven systems that operate at high efficiencies. Biomass heating systems offer efficiencies over 80 percent, and are fully automated, programmable, and low-maintenance.

Oregon has ample supplies of woody biomass including wood pellets, wood fuel chips, and cordwood. Woody biomass is a by-product of active forest management and Oregon's forest products manufacturing industry. The use of woody biomass provides additional revenue to forest landowners, helping to keep working forests working. A strong market for residuals from the state's forest products industry improves the bottom line of sawmills, plywood plants, and other primary manufacturers. The use of biomass as a fuel for heating, cooling, or electrical generation supports in-state manufacturing of woody biomass boilers and related components. The economic benefits of biomass use ripple out into the manufacturing sector.

The 1.5 percent requirement can help us increase our energy independence and lower our carbon footprint. It can also stimulate new economic opportunity and employment in our communities. Adding biomass to the list of eligible green energy technologies will put green energy jobs within reach of many of our rural forest communities.

We thank you and look forward to any questions you may have.

Sincerely,



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for 
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