

Oregon House Committee on Energy and Environment
Attn. Representative Vega Pederson, Committee Chair

March 12, 2015

Subject: Support for HB 2833

Dear Chair Vega Pederson and Members of the Committee,

I am writing on behalf of Wisewood, Inc. to express support for HB 2833, amending ORS 279C.527 to make biomass an eligible green energy technology to meet the state's 1.5% investment requirement for new public buildings and major renovations.

Wisewood, Inc. is a biomass energy project development, design and construction company. Our small but growing company has been responsible for five community-scale biomass energy installations in Western and Eastern Oregon over the past few years. We see a bright future where all Oregon communities are powered by renewable electricity from the sun and wind and are heated by clean renewable biomass energy technology, and we work hard every day to make this vision a reality.

Oregon is a state rich with diverse natural resources. While some communities are well suited to developing solar energy, others have ample access to geothermal resources, while still others are surrounded by available biomass material. HB 2833 aligns the State with a more equitable stance on renewable energies, and empowers communities to choose the renewable energy that is best suited to their unique conditions. Oregon's rural communities are particularly poised to take advantage of the HB 2833 amendment, with many opportunities to replace expensive and imported fossil fuel with locally sourced biomass material.

Biomass energy comes in many shapes and forms, from liquid fuels and combined heat and power facilities to small residential and commercial thermal boilers. Unfortunately biomass energy is often taken out of context and painted with a broad brush, despite the many differences between these end uses and technologies. HB 2833 encourages the simplest and most readily acceptable forms of biomass energy – small thermal boilers and combined heat and power facilities scaled to match the facility's energy needs. Such systems use state of the art, efficient and clean technologies, much like the vast number of biomass energy systems installed across New England and many European countries.

Furthermore, biomass is unique among renewable energy technologies for its inherent connection to land management. There is wide agreement that Oregon's forests are degraded and in need of active restoration to reduce the risk of high-severity fire events. Developing markets for the biomass material produced as a byproduct of such restoration activities is crucial to improving both forest health, and conditions of rural communities seeking to create a new natural resource economy. Biomass sourced from local forests and used to heat institutional buildings means money that would have been sent elsewhere to pay for fossil fuels is instead circulated in the local economy, supporting improved services and natural resource-related jobs.

Developing a sustainable energy future requires investment and leadership. Public buildings offer the perfect venue for demonstrating renewable energy technologies such as solar, geothermal and biomass. Like all investments in a sustainable future, biomass energy costs more than fossil fuel technology up front, but pays for itself over time. Taking a long-term perspective in uncertain times is difficult for many private sector businesses

that often struggle to plan for the next quarter, much less the next decade, so leadership for a sustainable future must start with the public sector.

One example that illustrates how the amendments proposed by HB 2833 are critical for Oregon's biomass energy industry and rural communities is from the new Oregon Department of Forestry (ODF) building in John Day, OR. When I was working on the construction of a pellet mill at Malheur Lumber Company in John Day in 2010, I was approached by the architects and engineers of the new ODF building. The architects had just learned of biomass heating systems and were eager to know more. By this time, however, the project was over 95% design-complete and simply too far along to make the required changes to the design of the heating system to incorporate biomass technology. Instead, the project installed propane furnaces and is now consuming significant quantities of imported fossil fuel in John Day, a town where the new pellet mill is churning out premium quality biomass fuel just two miles away. The irony of this situation was not lost on the local community and was the source of much consternation that continues to this day.

HB 2833 will ensure that this situation doesn't happen again. By requiring public agencies to invest part of their budget in green energy technologies, including biomass, we can create windows of opportunity at the most appropriate time - when a building is first being designed and engineered. The project managers of the ODF building in John Day were open to incorporating biomass into their building, but received no signals from official channels that this was something that the public sector was in support of, so their interest came too late. If they had understood that biomass was an option at the outset of the project, we could have helped them implement a successful project that would be utilizing local biomass fuel and supporting local employment in John Day. Instead they are burning propane, with 90% of the money spent leaving Oregon.

Please support HB 2833 to help create new jobs in forested communities, keep energy dollars circulating locally, support forest stewardship, increase our energy independence, and reduce our CO₂ emissions. Thank you.

Sincerely,



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