



February 6, 2020

Chair Representative Karin Power
House Energy and Environment Committee
Oregon State Capitol
Salem, OR 97301

Re: Support for HB 4093

Chair Power and Members of the Committee,

Thank you for the opportunity to express The Oregon Forest & Industries Council's ("OFIC") support for HB 4093, which addresses regulatory overreach by exempting certain wood residue from solid waste permitting requirements. OFIC represents over 50 large forestland owners and wood products manufacturers in Oregon, who provide over 60,000 family-wage jobs. Of the nearly 30 million acres of forestland in Oregon, OFIC members are responsible for managing over 6 million.

Earlier in 2019, the Oregon Department of Environmental Quality ("DEQ") took the position that the feedstock, (including wood residuals such as planer shavings, chips and sawdust) for a new Torrefaction facility in John Day, Oregon met the definition of solid waste and thus required a solid waste permit. The facility, when up and running, will create 15-17 new jobs, allow for the Malheur Lumber mill to utilize wood that cannot be used to produce high-value dimensional lumber, and will be shipped to domestic and international markets where it will contribute to lowering global carbon emissions. In short, it is a great story for Eastern Oregon, where the timber industry has suffered mightily over the past decades.

Needless to say, we strenuously objected to DEQ's interpretation expressed in their 2019 correspondence with the facility. The definition of "solid waste" in statute states that the material must be **"useless"** or **"discarded."** That is, a material cannot be a solid waste unless it is "useless" or "discarded." In the case of this new facility, the feedstock that will be used is an intended product of Malheur Lumber Company's manufacturing process and does not fall within the definition of "solid waste."

To remain economically viable and competitive, forest product manufacturers must rely on the production of multiple valuable products through their manufacturing processes. For example, planer shavings are a clear example of a product- they are neither "useless" nor "discarded" when managed as valuable commodities. They are often sold to third parties for a variety of uses, including pet bedding or as feedstock for particleboard plants. Likewise, chips and sawdust are often revenue generators, used to manufacture corrugated boxes and many other products.

The treatment of planer shavings, chips, sawdust or other wood residuals as solid waste would have far-reaching consequences for OFIC's members. In a more recent letter, DEQ has provided a level of clarification that their previous interpretation from 2019 may have been inaccurate. We very much appreciate that; however, still believe a clarification in statute is needed to provide certainty to the forest products industry that facilities that have operated in a responsible manner for decades will not suddenly be required to obtain a solid waste permit. HB 4093 addresses this problem by exempting wood residue that has value for use in other product streams from solid waste permitting requirements and we urge your support.

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Oregon Forest & Industries Council