



State Practices and Perspectives - MN

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Topics for Today

1. Minnesota's position on the role of biomass in the CPP
2. Explanation and MN specifics
3. What are our alternatives?
4. Exploring the words "sustainably sourced"
5. Summary

MN's Position

- ▶ Broadly, MN is proceeding with preparations to address the CPP
 - ▶ MN plans to continue engagement efforts on the rule to ensure that we are well positioned to respond in a timely manner to any possible outcomes of CPP litigation

MN's Position

- ▶ MN 10th most stringent reductions in the U.S.
 - ▶ Rate 42% reduction
 - ▶ Mass 34% reduction
- ▶ MN is a leader in energy efficiency
 - ▶ RES -2008-2012 1.7GW utility scale renewable capacity (35MW biomass)
 - ▶ CIP, C-BED, Solar Mandate (to name a few)

MN's Position

- ▶ Biomass sourced from *sustainably* managed forest lands and/or by a harvester trained in *sustainable* procurement practices are methods that control increases in CO₂ levels in the atmosphere
- ▶ Biomass that is *sustainably sourced* should be eligible for generating Emissions Rate Credits (ERCs) or allowances in both the Federal Implementation Plan (FIP) and in the Clean Power Plan rules

Why is “sustainably harvested biomass” a means to control increases in CO₂?

- 1) Forest management maintains forest health and resiliency
 - 1) Undermanaged forests are more susceptible to disease, insect infestation and ultimately decay and wildfire.
 - 2) Perpetuating the likelihood of forest wildfires changes the carbon equation significantly
- 2) A sustainable harvest is one that maintains balance in the carbon cycle by ensuring carbon debt is acquired through reforestation and sustainable allowable cut limitations.
- 3) Forest markets (including energy) maintain forest land types. Devaluation of forests leads to land conversion with extreme CO₂ consequences

Land of 10,00 lakes (and responsible biomass use)

- ▶ Home to roughly 17 million acres of forest land and a thriving forest products industry (fifth largest manufacturing sector in the state)
- ▶ Wood energy/biomass represents substantial forest products markets and renewable energy portfolio options in MN
 - ▶ In 2014, roughly 400,000 cds (forest-derived, mostly tops and limbs, sustainable) used for energy
 - ▶ 16% total statewide harvest
 - ▶ Qualify type of renewable energy (not solely stand alone baseload electric with poor efficiency)
 - ▶ 3% of MN's energy comes from biomass (including MSW)

Compared to what: the case for forest management

- ▶ The disappearance of wood energy markets has consequences:
 - ▶ Decreased forest management
 - ▶ Undermanaged forests potentially lead to: greater susceptibility to wildfire and disease
 - ▶ Decrease in business for MN loggers
 - ▶ Severe risk of losing forest lands to land conversion for agricultural and residential purposes is significant
 - ▶ Remove market = remove value = high potential for land conversion (residential and agricultural)
 - ▶ Converting forest land to ag or residential = severe CO₂ impacts

Compared to what: the case for using renewables

Why do trees (woody biomass) need to be a part of our renewable energy portfolio ?

- ▶ Ask the compared to what question
- ▶ If we're not using renewables, then we're using **non-renewable** resources
 - ▶ Nat gas lower CO2 and NOX and SOX, but methane leakage, fracking, water quality issues, pipeline construction and fragmentation.
 - ▶ Not a renewable resource!
- ▶ Importance of assigning value to our natural resources.
 - ▶ Value = protection. Set aside = risk

How we define “sustainable” matters

- ▶ Defining sustainable is the lynch pin in defending biomass as a means to control CO₂
- ▶ What is sustainably sourced in MN?
 - ▶ Residual material lacking alternative markets (advocate to include CHP)
 - ▶ Harvested in accordance with the Site Level Guidelines:
 - ▶ Wood that comes from land that is third party certified
 - ▶ Wood that was harvested in accordance with a forest stewardship plan
 - ▶ Wood that was harvested by a logger who has received training from MLEP (or similar program)

How we define “sustainable” matters

- ▶ Minnesota is a leader in developing sustainability practices
 - ▶ In 2007, MNDNR, in conjunction with our multi-stakeholder Minnesota Forest Resources Council (MFRC), developed the first Biomass Harvesting Guidelines in the U.S.
 - ▶ Comprehensive guidelines that serve as BMPs for harvesting woody biomass
 - ▶ Requirements for maintaining water quality, FWD, CWD, and other ecologically important site components

How we define “sustainable” matters

- ▶ Third party certification
 - ▶ Nearly 5 million acres of DNR administered land have been certified as well-managed by FSC and SFI.
 - ▶ Minnesota is the single largest FSC-certified land manager in the U.S.
 - ▶ Many county and private forest landowners in Minnesota also maintain third-party certification, amounting to an additional 3 million acres.

How we define “sustainable” matters

- ▶ Minnesota Logger Education Program
 - ▶ In 1995, the Minnesota Logger Education Program (MLEP) developed to provide loggers with educational training and professional development needs.
 - ▶ Program routinely trains loggers in environmental BMPs
 - ▶ MLEP also maintains a Master Logger Certification program (with auditing component).

How we define “sustainable” matters

- ▶ This is not the first time we've had the “what sustainable biomass” debate
 - ▶ EISA 2007, Farm bill 2008, RFS (1 &2) to name a few....
 - ▶ Definition of sustainably sourced biomass in CPP potential to have sweeping impacts
- ▶ Defer to states to determine what's sustainable
 - ▶ Not a one-size fits all approach – each state is different
 - ▶ Different land ownership, markets, and biological factors
 - ▶ One size all approach will impact different states adversely
 - ▶ Ex: RFS, BCAP
 - ▶ Offer flexibility in return for defending sustainability

Summary

- ▶ 1. Forest land conversion along with wildfire represent two severe threats to controlling levels of CO₂ in the atmosphere
- ▶ 2. We can mitigate these threats by recognizing the important role forest markets and sustainably sourced biomass play in controlling atmospheric CO₂.
- ▶ 3. If states can ensure the sustainable sourcing of biomass – then:
- ▶ 4. Its use is a method that controls increases in CO₂ levels in the atmosphere
- ▶ MN's definition of "sustainable"
 - ▶ 3rd party certified lands
 - ▶ Lands with a forest stewardship plan
 - ▶ Wood harvested by logger with MLEP training

Thank you

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