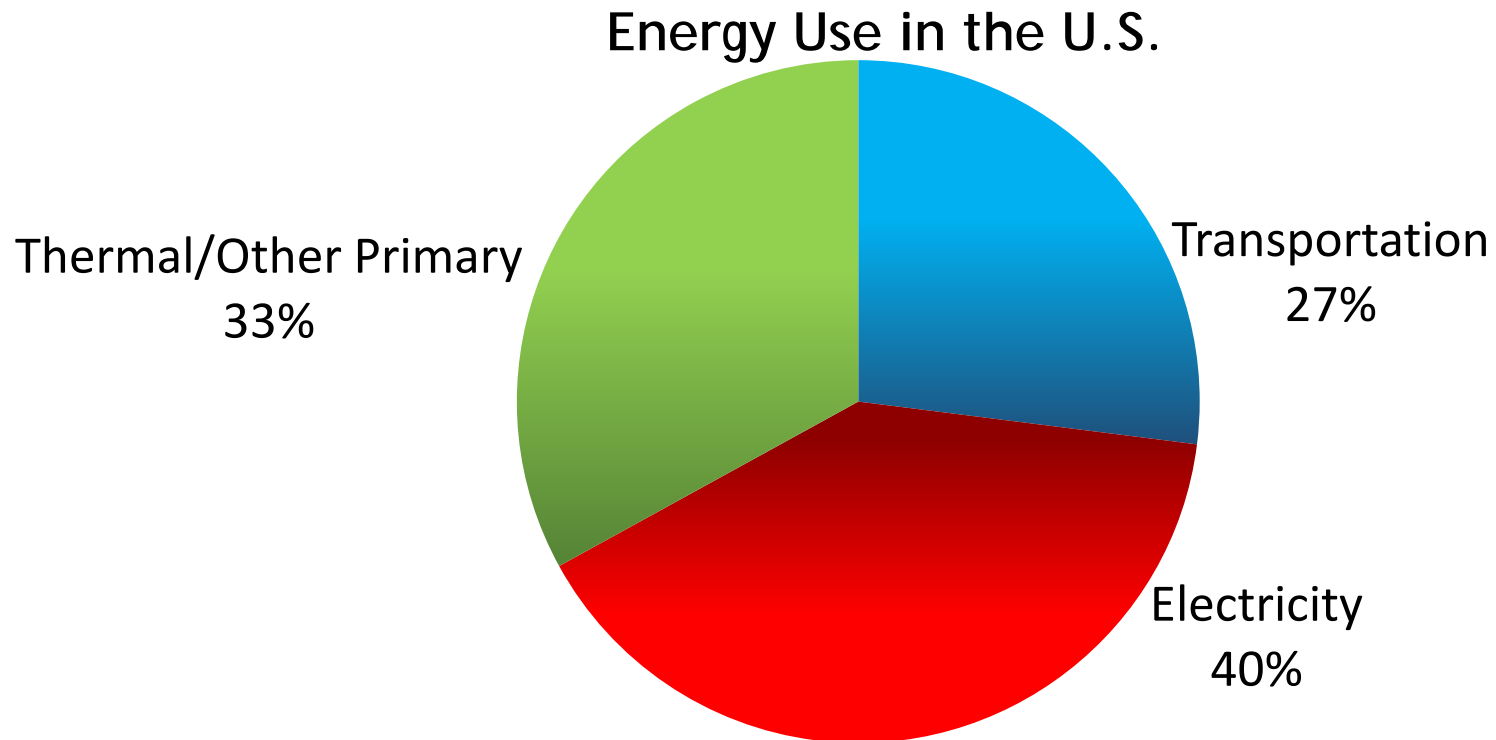


Federal Policy Update: *Pitching Biomass Thermal to a New Administration*

Jeff Serfass, Executive Director
Biomass Thermal Energy Council
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www.biomassthermal.org

- 33% of U.S. energy consumption is used for heating



Adapted from: U.S. Energy Information Administration

- 9% of heating comes from biomass
- In 2008, industry officials convened to give a voice to the biomass heating portion of the energy sector

Mission

The Biomass Thermal Energy Council (BTEC) advances the sustainable use of wood and biomass for clean, efficient heat and combined heat and power to meet America's energy needs and strengthen local economies.

Vision

By 2025, the use of sustainable wood and agricultural biomass for thermal (heating and cooling) and combined heat and power (CHP) is a mainstream energy choice.

100+ members and associates from the US and Canada:

- Fuel producers
- Manufacturers
- Sellers
- Installers
- Consultants
- Service providers
- State and federal governments
- Universities
- Non-profits and NGOs



Connections to priorities of the new administration:

- Focus on rural economies
- Local jobs
- Energy security and independence

Connections to policy priorities of the new Congress:

Tax Reform

Challenges:

- Focus on coal
- Proposed budget cuts

- Strategic outreach
- Tax and subsidy parity
- Regulatory affairs
- Farm Bill
- Appropriations
- Carbon benefits codification
- Recognition at the state level



Strategic Outreach

- **Strategic Communications Working Group**
 - Develop a positive, fact-based narrative around renewable wood heating
 - Collect, create, and share materials for decision-makers and the public
- **US Forest Service Cooperative Agreement**
 - Stakeholder group of BTEC, BPA, PFI, and AGH
 - Develops policy and communications strategies
 - Wood Innovations Communications Team

Strategic Outreach: The Message Matters

- New administration = new message
 - Modern Wood Heat
 - Most efficient use of wood resources
 - Local jobs
 - Healthy forests
 - Low carbon
 - Renewable
 - Comfort
- Economic benefits > environmental benefits

Tax and Subsidy Parity

Work with House and Senate partners to:

- **Pass the Biomass Thermal Utilization (BTU) Act**
 - Investment tax credits for highly efficient biomass systems
 - In last Congress, 11 House and 7 Senate co-sponsors
- **Extend wood and pellet stove tax credits**

Regulatory Affairs

- **Commercial Thermal Efficiency Protocol**
 - Draft completed
 - Next Steps: Laboratory validation, adoption by a standards organization
 - Policy/Gov't Affairs connections: Basis for state and federal incentive and efficiency programs
- **US Forest Service Cooperative Agreement**
 - Next steps: Outreach to high-performance building stakeholders
 - Policy/Gov't Affairs connections: obtain recognition and resources from USDA and DOE; US Wood Energy Industry report

Farm Bill

- Seeking more equitable payments under Sec. 9005 Advanced Biofuels program
- **Community Wood Energy Program**
 - \$50 million proposed
 - 35% installed capital costs covered
 - Prioritize communities with minimal energy access

Appropriations and Budget

President's FY2018 budget proposes:

- **5.6% decrease in DOE funding**
 - Elimination of ARPA-E and State Energy Program
 - Cuts to EERE
- **21% decrease in USDA funding**
 - Full funding of wildfire suppression and preparedness
 - Cuts to National Forest System programs
- **Eliminating regional development agencies**

Need to make the case for these programs as job creators in renewable wood heating

Biomass Carbon Benefits

- **Success:** Biomass carbon neutrality language supported by BTEC passed in House and Senate energy bills last Congress
- Waiting to see what provisions will be reintroduced in a new bill
- **Low carbon recognition is bipartisan:**
 - Former Sen. Kelly Ayotte (R-NH)
 - Sen. Ron Wyden (D-OR)
 - Sen. Angus King (I-ME)

State-Level Biomass Recognition

- **Maine**
Thermal REC program under consideration
- **Massachusetts**
New wood stove change out program
- **Oregon**
 - Thermal REC program recently launched
 - SB 634 - woody biomass qualifying green technology in govt. buildings

BTEC supports and participates in Statewide Wood Energy Teams (SWETs)!

- Become a BTEC and HTM member! www.biomassthermal.org/membership
- Sponsor a BTEC webinar - new technologies, policy perspectives, issues
- Connect with your SWET - Michigan, Minnesota, Wisconsin, Nebraska
- Send us your success stories - factsheets, case studies, testimonials, etc.
- Sign up as BTU Act Coalition partner
- Contact your Congressional representatives - use BTEC policy materials

NORTHEAST BIOMASS HEATING CONFERENCE & EXPO 2017

BURLINGTON, VT | APRIL 25-27 | NEBIOMASSHEAT.COM

BIOMASS THERMAL ENERGY COUNCIL

April 25-27, 2017 in Burlington, VT -
it's not too late to register!

Midwest will be represented

- TJ Morice, TNT Ventures - Regional Updates Roundtable
- Chris Tureson, Central Boiler - Cordwood Outlook
- Dane Floyd, Biomass Engineering & Equipment - Business Development Keynote
- Mike Porter, Uzelac Industries - Communications Breakout

For agenda and registration updates, visit <http://nebiomassheat.com/>

Thank You!

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