

**Michigan Association of Timbermen Position Paper**  
**On**  
**Woody Biomass**

On behalf of the 600 plus members of the Michigan Association of Timbermen, we are asking for your support of HR 5236. As I'm sure you are aware Congress passed the Energy Independence and Security Act, which included an historic 36 billion gallon Renewable Fuels Standard (RFS). This creates a potential benefit to our environment and rural development. Unfortunately, the definition of Biomass specifically excludes from the mandate any biomass that is produced from federal land or private lands, with the exception to plantation stands. This would have a tremendous effect on Michigan's potential in becoming a leader in the Biomass fuel production. Roughly 63 percent of our 19 million acres of forest are owned by private citizens and 14 percent is under federal ownership. With the current Biomass definitions, which exclude biomass production from private and federal lands, you are excluding roughly 77 percent of Michigan's forest.

Our State is blessed with healthy forest and can be a source of economic recovery for our State. Governor Granholm in her State of the State address stressed the importance of passing our own Renewable Portfolio Standard (RPS) mandating 10% of our energy will come from renewable resource by 2015 and continuing to 25 % by 2025. We also have a major cellulosic ethanol group looking to locate in Michigan. We cannot rely solely on our State forest to produce all the biomass needed to supply our RPS and a cellulosic ethanol plant. We need all forest landowners to supply biomass. The Governor has also indicated she wants Michigan to be first in the "Wood to Wheels" movement and the current biomass definition will keep us from doing so.

The Michigan Association of Timbermen has been very active in the establishment of two new companies, one is Michigan Wood Energy, LLC and the other is Michigan Wood Producers Cooperative, Inc. These two companies are working to establish two wood pellet facilities; one located in the Upper Peninsula and one in the Western portion of the Lower Peninsula. We will be looking for biomass from all ownership within approximately 50 miles of each plant. If the current biomass definitions are not changed this could hinder the amount of biomass we are able to acquire. These two mills will create roughly 25 jobs at each site and this does not include the numerous jobs we would retain in the logging. These types of small to large biomass plants would help stimulate economic growth in forest dependent communities and reduce greenhouse gas emissions and improve air quality by utilizing cellulosic biomass as an energy source, rather than traditional fossil fuels. The ultimate goal of these two companies is to start a cellulosic fuel plant.

The utilization of woody biomass from all forest ownerships dramatically increases the amount of woody biomass that will be available for the production of energy as we seek to lessen our dependence on foreign oil. The price of diesel continues to significantly increase with no end in sight. If this does not demonstrate the need to lessen our dependency on foreign oil we do not know what will. The production of alternative fuels or energy will require the same land base utilization as traditional wood consuming mills.

The emerging markets to utilize biomass will also help our forest stay healthy and reduce the occurrence of wild fires. Until recently there have been no markets to consume the dead or dying wood and diseased woody material. Michigan unfortunately has several non-native insect and diseases impacting our forest resource. Beech Bark Disease and Emerald Ash Borer are two of the major killing agents in our forest currently. These types of agents thrive on stress trees and forest. By having markets that can utilize traditionally non commercial timber, our forests will have reduced stress, resulting in a forest more resistant to insect and disease attack. The harvesting of dying or dead trees that have succumbed to insect and disease will help reduce the potential of wild fires impacting our forest lands.

Submitted by

Brian Nelson  
Board of Director  
Michigan Association of Timbermen  
April 2008