Written Testimony to the Energy Finance and Policy Committee on HF249, Amending MN Stat. 216B.1691. subd. 1

Feb. 24, 2025

My name is Pete Aube. I am chair of the Minnesota Forest Resources Council (MFRC), which is composed of 17 appointed members representing stakeholders with an interest in sustaining Minnesota's forest resources. The statutory purposes of the MFRC are to provide recommendations to the governor and to federal, state, county, and local governments with respect to forest resource policies, plans, and practices that result in the sustainable management, use, and protection of the state's forest resources and balance long-term economic, ecological, social needs (MN Stat. 89A).

Climate change is upon us. Foresters, loggers, forest landowners, and forest research scientists see, and are beginning to better understand, the challenges it poses to our forest resources. Minnesota is experiencing increased forest and tree mortality associated with warmer winters, extreme storm events, droughts, the spread of insect pests and tree diseases, and other climate related factors. The resiliency of our forests, their ability to adapt to the changing climate, and wildfire risk are serious concerns. Financial resources simply are not available at the scale needed to manage forests against these threats. New markets are needed for sustainable utilization of dead, dying, diseased and damaged trees; logging, thinning, and mill residuals; discarded wood products; and other forms of woody biomass. These markets would help provide the resources and incentives for tree planting, wildfire risk reduction, and other sustainable forest practices that support the vigor, resiliency, and long-term health of Minnesota's forests amid climate changes.

In 2022, MFRC passed a resolution "Supporting Minnesota's Climate Change Goals Through Development of Sustainable Forest Products Markets" (https://mn.gov/frc/assets/2022-1_MFRC_Resolution_Develop_Markets_For_Forest_Residuals_Final_SIGNED_tcm1162-516606.pdf). Of note, this resolution specifically called out the need to include woody feedstocks in statewide fuel or energy standards, and to offer broadly available production incentives for low carbon renewable biofuels derived from woody biomass or other bioenergy feedstocks.

In 2024, MFRC submitted comments to the Minnesota Public Utilities Commission (PUC Docket Number E-999/CI-23-151) (https://mn.gov/frc/assets/2024-01-26_MFRC_PUC%20Comments-Docket_E999-CI-23-153_tcm1162-614021.pdf) recommending the commission clarify that renewable woody biomass is a qualifying renewable energy source for eligible carbon-free energy technologies, which it did. This PUC decision is consistent with a 2018 U.S. Environmental Protection Agency rule that determined biogenic carbon dioxide (CO2) emissions from the use of biomass from managed forests is carbon neutral when used for energy production at stationary sources. The term "biogenic" as it applies to woody biomass originating from sustainably managed forests recognizes the unique long-term carbon life cycle of trees whereby CO2 emissions from bioenergy production are later sequestered and stored as carbon through the regrowth of trees and forests.

This past year, the MFRC in partnership with the University of Minnesota, confirmed that the carbon cycle associated with Minnesota's sustainably managed forests is not only robust, significant, and fully renewable, but also that for the next 50 years the amount of carbon sequestered and stored in trees will increase annually. Importantly for our state's goal of no-net greenhouse gas (GHG) emissions by 2050, the forestry sector, which includes both forests and forest products, is offsetting about 15% of the state's annual GHG emissions. Finally, creating additional markets will benefit Minnesota by expanding use of biogenic woody biomass for bioenergy production, further offsetting GHG emissions.

Respectfully,

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