Minnesota Timber Producers Association

903 Medical Arts Building ● 324 West Superior Street ● Duluth, MN 55802 ● 218-722-5013 ● Fax 218-722-2065 ● www.minnesotaforests.com

Chair Chris Swedzinski
House Energy Finance and Policy Committee
2314 Centennial Office Building
St. Paul, MN 55155

February 25, 2025

Dear Chair Swedzinski and Committee Members,

The Minnesota Timber Producers Association (MTPA) is a trade organization representing all segments of Minnesota's forest products industry, including loggers, truckers, sawmills, paper mills, suppliers, and other allied businesses. We support healthy forests and sustainable forest management. Thank you for the opportunity to provide comment in support of HF 246 (Carbon-free definition amended).

Clarifying woody biomass as carbon free and adding sources such as tops, limbs, branches, etc. to the definition is not only important for the forest products industry, but also for all Minnesotans, by improving forest health and reducing the wildfire danger in our state by removing this fuel from our forests.

Minnesota's forests provide the means to reduce atmospheric carbon levels, sustainably meet societal needs for goods and services, support rural economies, and meet the energy demands of the future. Sustainably sourced renewable wood products can be substituted for fossil-fuel intensive feedstocks in energy production. This has multiple benefits:

- reducing the release of fossil carbon;
- reducing the release of harmful sulfur and mercury;
- reducing forest wildfire risk;
- increasing forest health;
- sustaining rural economies;
- reducing waste sent to landfills;
- reducing reliance upon imported fossil fuel.

In 2022, the Minnesota Forest Resources Council (MFRC)—a 17-member board created by statute to advise the Governor, Legislature, and federal and local governments on forest policy issues; and also to encourage the adoption of sustainable forest management practices—passed a resolution entitled, "Supporting Minnesota's Climate Change Goals Through Development of Sustainable Forest Products Markets" This resolution details the abundance of renewable woody biomass available in Minnesota's forests, as well as the many benefits of finding uses for these materials:

2022-1_MFRC_Resolution_Develop_Markets_For_Forest_Residuals_Final_SIGNED_tcm1162-516606.pdf (mn.gov)

MTPA supports new and expanded Minnesota markets for forest and mill residuals. As stated in the MFRC resolution, we encourage lawmakers to "include woody feedstocks in statewide fuel or energy standards and/or offer broadly available production incentives for low carbon renewable biofuels derived from woody biomass or other bioenergy feedstocks."

Converting coal-burning power plants to enable the use of renewable woody biomass feedstocks in the production of electricity is already a practice at District Energy in St. Paul, Minnesota Power's Hibbard facility in Duluth, and Hibbing Public Utilities. Producing electricity with little to no net carbon dioxide (CO2) emissions is a crucial step in mitigating climate change and reducing the environmental impact of energy production. It involves balancing the amount of carbon emissions released into the atmosphere during the generation of electricity with an equivalent amount of carbon removal or offsetting measures. The goal is to achieve a net-zero carbon footprint for the entire electricity generation process.

The carbon free designation for renewable woody biomass would allow and encourage utilities to make significant investments in converting coal-fired power plants to use woody biomass. Utilities need assurance that the subsequent energy production from those facilities will meet the requirements of Minn. Stat §216B.1691 as amended by the Legislature in 2023. These facilities will be necessary to provide reliable and affordable base-load power for consumers, supplemented by other renewable energy sources that may have limited production at times due to the vagaries of weather.

Forestry is the only economic sector that is net negative in its carbon emission. With opportunities in forestry we can broaden climate smart contributions across Minnesota. This will also create greater participation in the green economy, an important goal of the Walz Administration's Climate Action Framework and a requirement of Minnesota Statutes 2022, section 216B.1691, subdivision 9, Local Benefits.

Minnesota's forests produce plenty of under-utilized renewable raw materials in the form of mill residues, tree tops/limbs, salvage from fires/insect damage, and tree species with limited markets. The MFRC has established forest residue harvest guidelines to ensure that sufficient woody materials are left onsite to provide wildlife habitat and protect forest soil productivity (https://mn.gov/frc/issues/biomass/).

Achieving carbon neutrality in electricity generation is a crucial step in mitigating climate change and reducing the environmental impact of energy production. Combustion of woody biomass to produce electricity in Minnesota meets the definition of carbon free and moves our state forward toward meeting its carbon-free energy targets.

In recent years, the MFRC has produced a number of reports that clearly demonstrate and quantify how forests absorb carbon and store it in ecosystem pools and harvested wood products, all of which can be found on its website (https://mn.gov/frc/):

MFRC Climate Change and Minnesota's Forests 2020
MRFC Carbon in Minnesota's Forests 2022
MFRC Forest Carbon Dashboard

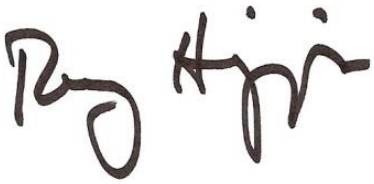
Just last month, the MFRC furthered its body of work on forest carbon by releasing a first-of-its-kind study titled “Estimating current and future carbon stocks and emissions in Minnesota forests and forest products under multiple management scenarios.” The study examines carbon storage and emissions in our state’s forestry sector. The study’s findings are consistent with the efforts to utilize this material in energy generation. The complete report can be found here:

MFRC_Carbon_Project_FINAL_REPORT_tcm1162-661769.pdf

Minnesota’s forests provide the means to reduce atmospheric carbon levels, sustainably meet societal needs for goods and services, support rural economies, and meet the energy demands of the future. Sustainably-sourced wood products can be substituted for fossil-fuel intensive feedstocks in energy production. This has multiple benefits: reducing the release of fossil carbon as well as harmful sulfur and mercury; reducing forest wildfire risk; increasing forest health; sustaining rural economies; reducing waste sent to landfills; and reducing reliance on imported fuel.

Thank you for the opportunity to comment in support of HF 246.

Sincerely,



Ray Higgins
Executive Vice President