



MINNESOTA FOREST INDUSTRIES

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House Energy Finance and Policy Committee

RE: HF249 Carbon-free definition amended.

My name is Rick Horton. I am the Executive Vice President of Minnesota Forest Industries, a trade association representing the large wood-consuming mills in Minnesota.

Woody biomass energy production can provide reliable, dispatchable, baseload power from a source that is renewable and sustainable. Locally produced biomass from mill residues, timber harvest residue and forest restoration by-products can provide ample feedstocks without increasing timber harvest in Minnesota.

Energy production from woody biomass is carbon neutral. Atmospheric carbon is absorbed by trees and converted into wood. It is released into the atmosphere again when the tree dies, either through decomposition or fire. This closed loop can go on indefinitely. Diverting the carbon for human use locks the carbon up for various amounts of time, but it will eventually be released again. This is far preferable than releasing carbon that has been locked in fossil fuels for 100 million years!

Creating a use for these materials will be beneficial for the forest in many ways. There are over 700,000 acres of dead or dying balsam fir up north that could carry a disastrous wildfire through our communities. There are also a million acres of dead tamarack, EAB-infested trees, salvage materials from windstorms and fires, and post-harvest tree tops and limbs. Having a societally beneficial use for them can facilitate management to make the forest healthy and productive again.

The forest products industry goes to great lengths to protect forest soils, water quality, cultural resources, wildlife habitat and other forest ecosystem services. Taken together, Minnesota Forest Resources Council Site-level Guidelines for Biomass Harvesting and forest certification standards practiced by highly trained logging professionals provide public assurance that the state's forest resources are being properly managed.

We are the 5th largest industry in the state, providing good paying jobs and supporting rural communities across northern Minnesota. The development of biomass-based energy production will strengthen the industry and provide more employment in the forestry and energy sectors. It will also help keep energy costs down for ratepayers by reducing development costs and utilizing an abundant and low-cost feedstock. Industrial energy rates are already high in Minnesota, a factor in global decisions on investing in the state. This is a relatively inexpensive green solution.

With wood we can develop a carbon neutral energy source that is reliable and sustainable, and that can provide dispatchable baseload power at a cost industry and most households can afford. If not this, what?