

May 24, 2010

The Honorable Lisa P. Jackson
Administrator
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue N.W.
Washington, D.C. 20460

Dear Administrator Jackson:

I was taken aback to learn that the Environmental Protection Agency's final Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule ("tailoring rule") did not exclude carbon-neutral biomass-derived emissions from the threshold calculations for greenhouse gas emissions (GHG). Regulating emissions from biomass energy the same as from fossil fuels is a significant shift in federal policy and profoundly contrary to the nation's renewable fuels initiatives and goals.

Weyerhaeuser is a leader in sustainable forestry. Trees absorb carbon as they grow – and biomass combusted for energy releases back into the atmosphere carbon dioxide that the trees had absorbed from the atmosphere during their growth. The result is no net increase carbon in the atmosphere. Moreover, EPA national annual inventory reports show that carbon stocks in U.S. forests have been, and are continuing to, increase. Data indicate the carbon stored in forest and forest products offsets almost 15 percent of annual U.S. carbon dioxide emissions.

The carbon neutrality of biomass emissions is widely recognized internationally and in the U.S., including in current EPA policy. Examples include:

- EPA's Mandatory Greenhouse Gas Reporting Rule;
- EPA's Renewable Fuels Standard;
- EPA's national greenhouse gas inventory;
- Intergovernmental Panel on Climate Change guidance and UN Framework Convention on Climate Change reporting protocols;
- EU directive on carbon trading; and
- GHG accounting protocols, such as Dept. of Energy's 1605(b), the World Resource Institute/World Business Council on Sustainable Development GHG protocols, ISO 14064, and the Midwest GHG Accord Advisory Board recommendations.

The EPA action is an exception to many long-standing precedents of government policies around the globe that identify biomass emissions as carbon neutral. By not excluding biomass emissions from the tailoring rule, EPA will capture far more small emission sources than previously estimated. For example, in the forest products industry, many sawmills and other wood products mills combust biomass alone or with fossil fuels for energy. We expect the resulting regulatory burden and economic impacts on forest owners, mills using biomass energy and rural jobs to be significant. Further, it penalizes one of the forest products industry's significant environmental achievements and positive contributions to the nation's



energy and security policy, namely supplying over 70 percent of its own energy needs with renewable biomass energy.

Through the tailoring rule, EPA has sent a powerful message discouraging biomass energy use. This results in significant negative impacts to private forests and the forest products industry. We agree with the Administration that the science for addressing climate impacts is compelling and we continue to support Congressional action on climate and energy legislation. However, because EPA has taken the unprecedented and unnecessary action of including biomass GHG emissions in the tailoring rule thresholds, I am encouraging Congress to support Sen. Lisa Murkowski's disapproval resolution on EPA's GHG endangerment finding and regulation of GHGs under the Clean Air Act.

I would welcome further discussion on how public policy can recognize the benefits of biomass energy as a fundamental part of our nation's energy and climate solution.

Sincerely,

A handwritten signature in black ink that reads "D.S. Fulton".

Daniel S. Fulton
President and CEO

cc: The Honorable Carol Browner
Secretary Tom Vilsack