

Wood pellets are a carbon-neutral, cost stable and renewable fuel used in millions of American households today for space heating and cooking.

How can I help?

Generally

• Support federal regulatory language affirming biomass as a carbon-neutral, renewable energy source

• Protect consumers' right to heat their homes using wood and wood pellet appliances that comply with emissions limits outlined in federal regulations

Maintain and expand tax-credits for qualifying wood
heat appliances

Specifically:

Farm Bill

 Include provisions in 2023 Farm Bill reauthorization that bind federal agencies and departments to recognize biomass carbon neutrality in any federal environmental or energy rulemaking

- Support the ongoing inclusion of the <u>Advanced Biofuels</u> <u>Payment Program</u> in the Farm Bill
- Support the continuation of the <u>Community Wood</u> <u>Energy Grants</u> in the Farm Bill
- Support the continuation of the <u>Wood Innovations</u> <u>Grants</u> in the Farm Bill

Renewable Energy Tax Credits

 Raise the cap on biomass appliance installations included in the Residential Clean Energy Property Credit to \$8,000 to incentivize the installation of whole home wood pellet boiler systems

• Expand the Clean Energy Property Credit to commercial installations

Renewable Fuels Standard

 Direct the EPA to authorize a pathway within the Renewable Fuel Standard for wood pellet producers to generate Renewable Identification Numbers



Wood Pellet Manufacturing in Minnesota

The wood pellet manufacturers of Minnesota are proud to be an integral part of the state's impressive and vital forest products sector that employs over **68,000** Minnesotans and generates over **\$18.7 billion** in direct economic output for the state.

This robust forest products sector creates incredible value for Minnesota's **8 million acres** of forestland.

source: Minnesota Dept. of Natural Resources

Operating Wood Pellet Facilities –

- Northland Pallet Inc., Hugo
 Staggemeyer Staves, Caledonia
- Total Production Capacity 16,000 tons*
- * enough wood pellets to heat 4,000 homes
- Total Wood Residuals Purchased 22,400 tons

Value of Residual Purchases \$ 879,000 (\$39.26/ton)

Wholesale value of pellets \$3.3 million

Heating Appliance Manufacturing

Hearth & Home Technologies, Lakeville
Hearth & Home Technologies, Lake City

Sources: U.S. Energy Information Administration, Biomass Magazine, analysis by Pellet Fuels Institute