



Empire State Forest Products Association

The people behind New York's healthy forests and quality wood products

www.esfpa.org

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Memorandum of Support

A 9127/S 8360

Honorable Michael Cusick
Member of Assembly
724 LOB
Albany, NY 12248

Honorable Kevin Parker
Senator
504 Capital
Albany NY 12247

February 28, 2022

Dear Assembly Member Cusick and Senator Parker:

The Empire State Forest Products Association supports **A. 9127/S. 8360, which** would maintain the viability of the State's existing biomass electric generation facility that is located inside the fence at Fort Drum, a U.S. Army installation.

The Empire State Forest Products Association (ESFPA) represents more than 300 member businesses, industries and landowners engaged in forest resource production and stewardship of New York's 19 million acres of forest. In total, \$22.9 billion dollars in annual industry production and nearly 100,000 jobs are attributable to operations of various industries within the forest related sectors. There are more than 200,000 private forest landowners who also depend on sound forest and timber management and production to help them keep their forests as forests.

ReEnergy Holdings LLC invested more than \$50 million to retrofit the former coal-burning facility to utilize biomass and to construct an interconnection system between the facility and Fort Drum's two substations, allowing the installation to operate as a microgrid, providing energy security and resiliency for Fort Drum. The facility, ReEnergy Black River, also was awarded a 20-year renewable energy services contract with the U.S. government to provide 100% of Fort Drum's electric needs through 2034.

This contract places Fort Drum, the home of the much-deployed 10th Mountain Division, at the forefront of the nation's military goals for sustainability and allows the installation to remain powered if the electrical grid were to go dark due to a natural disaster or cyberattack. Fort Drum is the New York State's largest single-site employer and provides an annual economic impact of \$1.8 billion.

The facility's fuel procurement program is certified by Sustainable Forestry Initiative® (SFI®), which verifies that the forest residue is sourced from qualified logging professionals who utilize best management practices and operate with an ethic of land stewardship that integrates reforestation and protects soil, air, water resources, biological diversity and aesthetics

ReEnergy embarked on this process in 2011, when New York's energy policy recognized biomass as a renewable technology within the Renewable Portfolio Standard and eligible for Renewable Energy Credits (RECs). However, in 2019 the Legislature passed, and the Governor signed the Climate Leadership and Community Protection Act (CLCPA), amending the Public Service Law and excluding biomass from the definition of "renewable energy systems." The CLCPA also established a Climate Action Council (CAC) and advisory panels to develop a Scoping Plan to achieve the state's renewable energy goals and emission reductions necessary to decarbonize New York's economy. Over the course of this past year the CAC has held hundreds of meetings and solicited public input on developing a draft Scoping Plan which was recently released. That Scoping Plan includes recommendations for bioenergy, including biomass electric generation, prior to reaching 100% emissions free generation in 2040.

While the CAC completes its development of the final Scoping Plan by the end of 2022, the role of bioenergy continues to be discussed and considered across the energy economy. Also, reliance on all existing power generation will be critical unless or until sufficient renewable energy systems can be built and deployed.

While the CAC continues its work and debate over the role of bioenergy, the only grid-scale biomass facility in New York may be forced to terminate operating when its current REC contract expires in May of 2023. The intent of this legislation is to allow for the continued operation of New York's last remaining utility-scale biomass facility through the extension of its REC contract until November 30, 2034, or until other compensation for attributes associated with electricity generation via biomass is available.

As the CAC works to develop the State's plan on meeting New York's climate goals, this legislation allows ReEnergy to ensure the Black River biomass facility continues operations and provides energy security, grid reliability pursuant to its contract with DOD while displacing fossil fuels and supports the sustainable forest products industry in the North Country and Central New York.

For these reasons, ESFPA supports this legislation.

cc: Assembly Energy Committee members
Senate Energy & Telecommunications Committee Members

For Further Information Contact:

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