December 1, 2014

The Honorable Gina McCarthy
Administrator, United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

To Be Submitted via: A-and-R-Docket@epa.gov

RE: Docket ID No. EPA-HQ-OAR-2013-0602

Comments to the EPA and States on the Proposed Clean Power Plan Regulating Existing Power Plants under Section 111(d) of the Clean Air Act

Supplemental Comments Regarding Carbon Dioxide Emissions Associated with Bioenergy and Other Biogenic Sources

Dear Administrator McCarthy:

The Business Council for Sustainable Energy (BCSE or the Council) appreciates the opportunity to provide the Environmental Protection Agency (EPA) with these supplemental comments regarding the recently released revised framework for assessing biogenic carbon dioxide emissions from stationary sources and the role this plays regarding the proposed Clean Power Plan. The Council offers its views with the aim of improving the final rule and to assist states as they begin the process of implementation planning.

BCSE is a coalition of companies and trade associations from the energy efficiency, natural gas, and renewable energy sectors, and also includes independent electric power producers, investor-owned utilities, public power, commercial end-users, and environmental and energy market service providers. Founded in 1992, the Council advocates for policies at the state, national, and international levels that increase the use of commercially-available clean energy technologies, products, and services. The coalition's broad-based business membership is united around the revitalization of the economy and the creation of a secure and sustainable energy future for America.

The Council has provided comments to EPA on a range of air quality and climate change initiatives since its founding. With regard to reducing greenhouse gas (GHG) emissions, the Council supports market-based programs that utilize performance-based metrics. Further, BCSE represents a portfolio of commercially-available resources, technologies, and services that are proven to reduce air pollution and GHG emissions in an affordable and reliable manner. These solutions should be used to their full potential as compliance options. Of note, as a diverse coalition, not all members take positions or endorse all the issues discussed in this submission.
Supplemental Comments on the Proposed Clean Power Plan Related to the Framework for Assessing Biogenic CO2 Emissions from Stationary Sources

Biomass energy plays an important role in the mix of energy sources helping to reduce US GHG emissions. The White House, the EPA’s Science Advisory Board (SAB), and the international scientific community have all recognized that sustainable biomass can be an important source of low-carbon energy, particularly waste biomass and residues from sustainable forestry management and forest products manufacturing. These energy sources provide consistent, baseload, renewable sources of energy and should be given a clear pathway for utilization under the proposed rule. Biomass energy is recognized in nearly every state that has a Renewable Portfolio Standard (RPS). Failure to adequately credit the carbon mitigation attributes of low-carbon sustainable biomass in the final rule could result in state compliance plans that exclude this clean energy technology and the potential closure of these facilities and a lost opportunity for greater GHG reductions.

When the Plan was released on June 18, 2014, EPA and the Agency’s Science Advisory Board had not yet completed its work on the carbon accounting of biogenic emissions. Important questions regarding how EPA should model biogenic emissions and thus how biomass power can play a role in reducing overall carbon emissions were left unresolved. We applaud the Agency’s release of the Revised Framework for Assessing Biogenic CO2 Emissions from Stationary Sources and the Memorandum from Acting Assistant Administrator McCabe dated November 19, 2014 entitled “Addressing Biogenic Carbon Dioxide Emissions from Stationary Sources.” Together, the Framework and EPA’s implementation of it support a clear, science-based approach that provides regulatory certainty while deferring important policy implementation to the states.

Specifically, we welcome EPA’s determination that waste-derived materials, biogas and forest-derived industrial by-products are “likely to have minimal or no net atmospheric contributions of biogenic CO2 emissions, or even reduce such impacts, when compared with an alternate fate of disposal.” We would request the Agency to clarify in the final Plan that non-forestry cellulosic materials—like urban wood, wood-derived construction and demolition debris, and railroad ties—be specifically included in the definition of “waste-derived feedstocks” since these organic materials do not cause land use changes and do not deplete carbon stocks.

Also, regarding EPA’s decision to include in the Plan “sustainably-derived” forest-derived feedstocks, we urge EPA to recognize that for decades, States have managed their forests using sustainable land management practices. Existing state laws promote and protect healthy forests, and the Plan should recognize that EPA does not have the expertise or resources to set or enforce sustainability standards.

Finally, we encourage EPA to clearly state that biomass power plants that use feedstocks covered by the McCabe Memorandum are exempt from regulation under the Clean Power Plan. To the contrary, biomass power from renewable and sustainable feedstocks should be encouraged as a compliance tool under Section 111(d).

Additionally, EPA should clarify that states should give full compliance value for all electricity generated from renewable energy technologies when determining how to measure compliance with the Clean Power plan’s goals. For instance, all states that define waste-to-energy (WTE) as renewable give full credit for each megawatt hour of electricity generated by WTE, as do federal standards. EPA should
make clear that states have the flexibility and discretion to value the full electrical generation from renewable sources (such as WTE) toward compliance with the Clean Power Plan.

Conclusion

BCSE appreciates the opportunity to provide you with its comments on the proposed Clean Power Plan and hopes these views will be useful as the EPA reviews and finalizes the rule. BCSE would like to be viewed as a resource to EPA during this process to help ensure the full portfolio of clean energy technologies and their full emissions reduction potential are recognized in Clean Power Plan compliance planning. Please contact the Council on the issues discussed if there are questions.

Sincerely,

Lisa Jacobson, President
Business Council for Sustainable Energy