RON WYDEN OREGON

CHAIRMAN OF COMMITTEE ON FINANCE

221 DIRKSEN SENATE OFFICE BUILDING WASHINGTON, DC 20510 (202) 224–5244



COMMITTEES:

COMMITTEE ON FINANCE
COMMITTEE ON BUDGET
COMMITTEE ON ENERGY & NATURAL RESOURCES
SELECT COMMITTEE ON INTELLIGENCE
JOINT COMMITTEE ON TAXATION

February 11, 2015

Administrator Dan Tangherlini General Services Administration 1800 F Street, NW Washington, DC 20405 Chief Thomas Tidwell USDA Forest Service 1400 Independence Ave., SW Washington, DC 20250

Dear Administrator Tangherlini and Chief Tidwell:

I am writing to ask for your consideration of biomass energy technologies for leases or construction of Federal facilities in Oregon. I understand the General Services Administration (GSA) works with Federal agencies when they need to acquire office space, visitor centers or other facilities, and that the GSA precludes use of biomass for heat, or combined heat and power, in certain circumstances. I encourage the GSA to reconsider these constraints and to study how to increase the utilization of biomass energy in Federal buildings and facilities.

In Oregon, we are beginning to see considerable advances in the production of biomass for energy uses. Rural forestry and lumber businesses have made sizeable investments in the biomass supply chain, including pellet mills and facilities for processing the smaller diameter trees best suited for biomass-to-energy uses. Likewise, the Forest Service has programs in place to support biomass utilization and market development, recognizing a win-win scenario where tree thinning projects help restore ecological resilience to overstocked forests and reduce the threat of catastrophic wildfire.

Additionally, demand for biomass energy is expanding rapidly across Oregon. Many of our rural communities do not have access to natural gas, and biomass for heating offers significant savings in utility costs as well as reductions in CO₂ emissions and local air pollutants. For example, Wallowa County, OR has been a leader in the use of biomass heating in public and community buildings. Wallowa Resources, a local non-profit organization in Enterprise, OR, recently converted an aging hospital facility into office space with two new biomass boilers. They buy wood pellets from John Day, OR and report savings of \$40,000 per year over their former costs for heating oil. The Enterprise School District also recently converted to a woodchip biomass heating system. This resulted in energy savings of \$70,000 per year and a reduction in CO₂ emissions of nearly 500 tons, as well as concomitant reductions in criteria air pollutants, reflecting the on-site air quality benefits of biomass.

Despite these promising developments, I have heard from my constituents that the GSA process is making it difficult for new Forest Service building leases to utilize biomass for heat and energy. For example, it is my understanding that the Wallowa Whitman National Forest has not had a permanent office or visitor center since the Enterprise facility burned down in 2010, and the ability to incorporate biomass into the lease of a new facility has been stifled by GSA constraints.

One comment I have received is that the transportation distance to sites like this one in Enterprise may be the reason why GSA would oppose the use of biomass for federal facilities. However, as evidenced by examples above, these distances do not undermine the economic benefits of biomass heat in comparison to heating oil or propane, or the environmental benefits. It is also inconsistent to assign transportation distance guidelines to biomass fuels and not to heating oil or propane which is transported a much greater distance.

It is my understanding that demand for biomass in Oregon is not only good for the biomass producers in Oregon, growing the market for a locally-produced renewable energy resource, but that it is also best from an environmental perspective, as it reduces the distance that these fuels must travel—much of the biomass produced in Oregon is shipped to other states and as far as Japan. Keeping this resource in state seems to reduce the environmental footprint.

Again, this is an important issue for Oregon, and I strongly encourage your offices to consider how to increase the use of biomass energy technologies for new Federal facility construction and leases in Oregon and nationwide. I would very much appreciate a response that outlines the current GSA process for evaluating biomass energy technologies, and that describes ways that the GSA could better support the use of this local, renewable energy resource in Federal facilities. I look forward to your response.

Sincerely,

Ron Wyden

United States Senator

Ron Wyden

Cc: Secretary Vilsack