

**Submission for the Record  
Representative Kathy Castor  
Select Committee on the Climate Crisis  
September 26, 2019**

September 24, 2019

House Select Committee on Climate Crisis  
Chairman Kathy Castor  
Ranking Member Garret Graves  
H2-359 Ford House Office Building  
Washington, D.C. 20515

Dear Chairman Castor and Ranking Member Graves:

Thank you for the opportunity to discuss key considerations for U.S. climate policy.

We appreciate the Committee's outreach to us and other stakeholders. Seeking input from stakeholders on such approaches will allow for more informed and productive discussion and deliberation.

The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative — *Better Practices, Better Planet 2020*. The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.

AF&PA's sustainability initiative — *Better Practices, Better Planet 2020* — comprises one of the most extensive quantifiable sets of sustainability goals for a U.S. manufacturing industry and is the latest example of our members' proactive commitment to the long-term success of our industry, our communities and our environment. We have long been responsible stewards of our planet's resources. We are proud to report that our members have already achieved the greenhouse gas reduction and workplace safety goals. Our member companies have also collectively made significant progress in each of the following goals: increasing paper recovery for recycling; improving energy efficiency; promoting sustainable forestry practices; and reducing water use.

*AF&PA'S Voluntary Emissions Reductions*

In 2011, as part of the association's voluntary Better Practices, Better Planet 2020 sustainability goals initiative, AF&PA set a goal to reduce member greenhouse gas (GHG) emissions—measured in carbon dioxide equivalents per ton of production—by 15 percent. After meeting that goal ahead of schedule, members set a 20 percent reduction goal and they now are close to achieving that goal as well, as emissions were 19.9 percent lower in 2016 than in 2005.

To put these and other emission reductions in context, it is helpful to consider the U.S. Nationally Determined Contribution (NDC that was part of the Paris Accord). Specifically, the U.S. NDC was to achieve a 17% GHG mass reduction between 2005 and 2020, and a 26-

28% GHG mass reduction by 2025, with best efforts to achieve a 28% GHG mass reduction by 2025.

The US pulp and paper industry has already exceeded those targets, by reducing direct emissions by approximately 35 percent on a mass basis between 2005-2016. Further, as stated above, AF&PA members have reduced their direct and indirect GHG emissions by 19.9 percent between 2005-2016 on an intensity basis.

In addition to our members' voluntary progress already discussed above, AF&PA currently is developing new sustainability goals to replace the existing Better Planet 2020 goals. Among others, we are working on a new GHG reduction goal.

### *Industry Innovation*

The industry also is innovating for the future. The industry's Alliance for Pulp and Paper Technology Innovation—APPTI—works to transform the paper and forest products industry through innovation in its manufacturing and products. For instance, a project is underway to reduce the energy used in certain paper manufacturing processes by 23 trillion BTUs, which would lead to significant GHG reductions. This project is being carried out by a team led by the Georgia Institute of Technology and is funded by APPTI members and the Department of Energy's RAPID Institute.

APPTI identifies high priority, pre-competitive technology challenges for the pulp and paper industry and promotes scientific research and development projects to address them. Current projects under development, if implemented, could achieve significant energy and related GHG reductions for the industry

### *Climate Policy*

AF&PA believes that any comprehensive climate legislation must balance environmental, social, and economic concerns to ensure that our nation's economy and forest products industry remain globally competitive.

In particular, any legislation should recognize the forest products industry's important and unique role in reducing greenhouse gases, including sustainable forest management practices, carbon sequestration, biomass energy use, electricity generation, and paper recovery for recycling. Sustainably managed forests and our products sequester and store approximately 14 percent of annual U.S. carbon dioxide emissions. Paper recycling reuses a renewable resource that sequesters carbon and helps reduce greenhouse gas emissions by avoiding landfill methane emissions and reducing the total energy required to manufacture some paper products. Any climate legislation should recognize early actions taken to reduce greenhouse gas emissions. The forest products industry's use of energy efficiency technology such as combined heat and power technology also needs to be given full consideration.

The carbon neutrality of biomass harvested from sustainably-managed forests has been recognized repeatedly by an abundance of studies, agencies, institutions, legislation and rules around the world and includes the guidance of the Intergovernmental Panel on Climate Change and the reporting protocols of the United Nations Framework Convention on Climate Change.

Prior to 2010, the U.S. clearly recognized forest-based biomass energy as carbon neutral. In EPA's Greenhouse Gas (GHG) Tailoring Rule, for the first time, no such designation was made, subjecting biomass energy used in stationary sources to Clean Air Act permit program requirements. In 2011, EPA issued a rule deferring regulation of biogenic carbon dioxide emissions while its Science Advisory Board (SAB) studied the issue and pledged to complete an accounting framework for biogenic emissions from

stationary sources by July of 2014, but failed to finish the work.

Numerous EPA documents and policy memos have found positive benefits from forest biomass use, including EPA's original draft accounting framework (September 2011) and revised draft framework (November 2014). Both documents recognize the GHG reduction benefits of bioenergy from forest product mill residuals and byproducts, including black liquor. In April 2018, EPA issued a policy statement to treat biogenic carbon dioxide emissions from the combustion of forest biomass at stationary sources as carbon neutral. As the next step, EPA should implement regulations soon.

From a broader perspective, it is critical to recognize that U.S. manufactures must compete globally. To the extent that Congress adopts laws that increase the domestic cost of production for US based manufacturing, those higher costs of production will shift production jobs, and economic growth outside of the U.S.

In turn, since U.S. manufacturers are a more efficient user of fuel and natural resources than manufacturers in most other countries, when production shifts to outside the U.S., there will be a net increase in global GHG emissions.

In addition, global energy use trends and emissions projections indicate the US will continue to be comparatively advantaged as an efficient user of fuel and lower emissions intensity for the foreseeable future. This data suggests that policies adopted by Congress that increase competition remove barriers and lower costs to US manufacturing, are the preferred policy prescription for achieving a net reduction in global GHG emissions.

Thank you for seeking our industry's input and we look forward to working with the Committee as this process moves forward.

Best Regards,

Paul Noe  
Vice President, Public Policy American Forest & Paper Association