

Written Testimony to the House Ways and Means Committee

USING WOOD TO FLY PLANES

Amendment Supporting Biomass Eligibility for SAF Credit Certification Under HF3911DE1 April 24, 2024

I am Eric Schenck, executive director of the Minnesota Forest Resources Council (MFRC). The 17 stakeholder members of MFRC are statutorily responsible for providing policy recommendations to the Legislature that promote sustainable management, use, and protection of the Minnesota's forest resources. This testimony is supported by Council resolution 2022-1 adopted on January 18, 2022.

MFRC has two recommendations for this committee to consider: 1) include woody biomass as an eligible renewable biofuel feedstock for Sustainable Aviation Fuel (SAF), and 2) include woody biomass eligibility for SAF credit certificates. HF3911DE1 bill language, as adopted by the Environment and Natural Resources Finance and Policy Committee, unfortunately excludes eligibility of woody biomass for SAF production and SAF credits.

Background: Sec. 6. Minnesota Statutes 2023 Supplement, section 41A.30, subdivision 1, states: "Sustainable aviation fuel" means liquid fuel that is "derived from biomass, as defined in section 41A.15, subdivision 2e." The definition of "Biomass" as stated in section 41A.15 means "any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues, plants including aquatic plants, grasses, residues, fibers, animal waste, and the organic portion of solid wastes".

<u>HF3911DE1 amendment language</u> (lines 123.17 to lines 123.21): " (b) If the sustainable aviation fuel for which the business is applying for a credit certificate was derived from biomass or from gaseous carbon oxides derived from biomass, *the business also must demonstrate that the biomass was:* (1) grown on agricultural land that had previously been cropped or hayed in five or more of the previous ten years; (problematic language in bold).

<u>Unintended Consequence</u>: As drafted, *HR3911DE1 excludes all the 41A.15 forms of biomass*<u>not grown on agricultural land</u>. Thus, trees, wood, wood waste, and wood residues coming from urban areas, forests, construction sites, and sawmills would not be eligible for SAF credit certification, and by default, would not be used as a low carbon emitting source of Sustainable Aviation Fuel production. Alternative language to prevent this problem: "(b) If the sustainable aviation fuel for which the business is applying for a credit certificate was derived from biomass or from gaseous carbon oxides derived from biomass, <u>and such biomass originated</u> from agricultural lands, …."

WHY WOODY BIOMASS SHOULD BE ELIGIBLE FOR SAF CREDITS

Reason 1: <u>Using low carbon emitting woody biomass for biofuels vastly reduces carbon emissions compared to petroleum-based and agriculture-based fuels and provides a more rapid pathway to achieving Minnesota's emission reduction goals. To understand this potential, simply compare the Carbon Intensity (CI) of 8 for wood-based renewable diesel, with soybean-based biodiesel's CI of 58, and petroleum diesel's CI of 90+. Similar dramatic carbon emission benefits are associated with using renewable woody biomass for Sustainable Aviation Fuel.</u>

Reason 2: Minnesota has a sustainable supply of woody biomass that is vast, underutilized, and rapidly increasing on private, public, and urban forestlands. Much of this available wood supply comes from trees that are dead, dying, diseased, or damaged by invasive pests, tree diseases, and extreme weather. SAF can support sustainable forest management by providing an economic market and financial incentives for forestry measures and actions that will enhance forest resiliency against climate change.

Reason 3. <u>innovative technologies are rapidly transforming woody biomass into an economically viable feedstock for sustainable aviation fuel</u>, renewable diesel, and other biofuels. Eligibility of woody biomass as a SAF feedstock supports the forestry sector, spurs more technological innovation, and promotes the environmental, economic, and societal benefits sought by Minnesota's Climate Action Framework.

CAN WOOD REALLY BE USED AS A FUEL TO FLY PLANES?.....YES!

In 2016, Washington State made national news by flying an Alaska Airlines commercial jet from Seattle to Washington, DC. <u>using sustainable aviation fuel derived from wood</u>. This dramatic achievement demonstrates the potential for Minnesota to also lower greenhouse gas emissions of the transportation sector by supporting wood-based biofuels, including Sustainable Aviation Fuel.