



VIRGINIA LOGGERS ASSOCIATION, INC.

"Voice for Virginia's Professional Loggers"

April 8, 2018

Karen G. Sabasteanski
Department of Environmental Quality
1111 East Main Street, Suite 1400
Richmond, VA 23218

Reference: Regulation for Emissions Trading [9VAC5 – 140]

Dear Ms. Sabasteanski:

This submission is made on behalf of the Virginia Loggers Association, a non-profit organization, and is directed at the proposed amendments regarding CO2 Budget Trading Program, Part VII of 9VAC5-140 (Regulations for Emissions Trading).

Specific Requests Regarding the Proposed Regulations

The Virginia Loggers Association (VLA) requests the Department of Environmental Quality (DEQ) to treat biomass as a carbon neutral natural resource beneficial to human society. Furthermore, we ask DEQ to treat biomass used as a sole or co-fired source of input energy in electric production as a carbon neutral resource. We also ask DEQ to maintain the current exemption for industrial boilers.

Virginia's Forests

Virginia's land cover is approximately 62% forested consisting mostly of healthy hardwoods, natural softwoods and fast growing pine plantations. In total, the acreage consists of 15.8 million acres of forest with about 12.2 million acres owned by private individuals, corporate and non-profit organizations. Timber production is an important part of Virginia's economy and environment. The most recent study released by Governor McAuliffe shows that our forest products industry is the third largest contributor to Virginia's economy. In addition, the study revealed that almost \$9.3 billion were added directly due to our forests. Most of these forests are managed through the most current available science and knowledge enabling our forests to be productive both for timber products and environmental benefits. Our current forests are healthy and have increased in volume since our first inventory studies in 1940s.

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Virginia's forests are currently growing at a faster rate than harvest removal and mortality. The latest inventory shows that our softwood annual growth to annual harvest is at a ratio of 2.2:1 and hardwood annual growth to annual harvest is 2.4:1. Our forests produce significant environmental benefits of cleaning the air, sequestering carbon, improving water quality, wildlife habitat and recreational opportunities while producing significant products for many.

Virginia Programs Incentivize Forest Management

Virginia has demonstrated its commitment to its forests and to those who own and manage them. The majority of Virginia's forests are now owned by individuals. The Department of Forestry (DOF) is a leading forestry agency serving forest landowners across the entire Commonwealth. Employees of the DOF are available to review forests with their owners and make recommendations to ensure the healthiest and best growing forests are available in the future. DOF also has a significant forest fire protection program throughout the Commonwealth.

In addition to an excellent state agency with skilled personnel to address landowners' issues, Virginia Tech also offers service providers through their Extension services. Consultant Foresters are professionals who are also available to serve landowners.

The following programs and statutes have been in place for many decades to help landowners maintain their forests.

- Forest Products Tax – self-imposed tax on timber stumpage, matched by the COVA to fund the Reforestation of Timberlands Program
- Reforestation of Timberlands Program – a program administered by the Department of Forestry that provides financial incentives to forest landowners
- Virginia Seed Law – ensures landowners must reforest or leave seed trees
- Tree Improvement – a program administered by the DOF to improve the genetic quality of loblolly pine, white pine, shortleaf pine and longleaf
- Conservation easements of working forests
- Riparian buffer tax credits

Who is Virginia Loggers Association (VLA)

Members of the VLA consist of many logging businesses which harvest and haul forest products from the forests to various mills in Virginia and beyond. VLA also represents mills and other businesses which serve both logging and mills. Our comments coincide with those with those of the American Forest & Paper Association and the American Wood Council.

Our members base their foundation on the science which shows that biomass is carbon neutral. We work with a naturally renewable resource that requires only the natural resources

provided by God to grow and harvest. Trees need no special assistance from man to grow as they amazingly regenerate from seed and sprouts to reforest our lands.

Virginia has very favorable conditions for forestry. Most of its forests are privately owned yet available to society for their beauty and environmental benefits. Our government and policy makers have partnered with the corporate world to make reforestation a policy priority. Today our forest products industry ranks as Virginia's third largest contributor to our economy and provides nearly 9.3 billion dollars in environmental benefits i.e. cleaner water and air, recreational activities and more.

Biomass has become an important component of Virginia's energy policy. The federal government clean and renewable energy programs and Virginia's voluntary renewable portfolio standard offers incentives to produce electricity from renewable resources. Woody biomass has accounted for the majority of Virginia's renewable power generation. Woody biomass is shown by studies to be carbon neutral and good for society as a renewable resource which sequesters carbon. Virginia should maintain this status of woody biomass.

We are fortunate to have a system which values our opinions. Thank you for the opportunity.

Sincerely,

A handwritten signature in black ink that reads "Ron Jenkins". The signature is written in a cursive, slightly slanted style.

Ron Jenkins
Executive Director