

SENATE BILL REPORT

SB 5979

As of February 17, 2009

Title: An act relating to authorizing the department of natural resources to conduct a forest biomass energy demonstration project.

Brief Description: Authorizing the department of natural resources to conduct a forest biomass energy demonstration project.

Sponsors: Senators Hargrove, Schoesler, Jacobsen, Swecker, Fraser, Morton and Shin; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Ocean & Recreation: 2/16/09.

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Staff: Sherry McNamara (786-7402)

Background: The Department of Natural Resources (DNR) manages three million acres of trust lands to provide revenue for specific beneficiaries and to benefit the public. One of the revenue-producing activities on state trust lands is the sustainable management and harvest of timber and forest products.

Forest biomass includes harvest residues such as tops, limbs, and thinning material; and mill products such as bark, sawdust, and limb ends from the wood processing industry.

Summary of Bill: DNR may develop and implement two forest biomass energy demonstration projects (projects), one east and one west of the crest of the Cascade mountains. The projects must be designed to:

- reveal the value of the state's public and private forest biomass;
- create green jobs;
- generate renewable energy;
- improve forest health;
- reduce pollution; and
- restore ecological function.

DNR may form forest biomass energy DNR partnerships or cooperatives (partnerships or cooperatives) to assist in the development and implementation of the projects. The

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partnerships or cooperatives are encouraged to be public-private partnerships focused on bringing together entities necessary to grow, harvest, process, transport, and use forest biomass to generate renewable energy.

The partnerships or cooperatives may include, but are not limited to:

- entrepreneurs
- industrial electricity producers;
- contractors;
- tribes;
- federal land management agencies;
- county, city, and other local governments;
- the Department of Community, Trade, and Economic Development;
- state trust land managers;
- an organization dedicated to protecting and strengthening the jobs, rights, and working conditions of Washington's working families;
- accredited research institutions;
- an industrial timber land manager;
- a small forest landowner; and
- a not-for-profit conservation organization.

DNR must provide a progress report to the Legislature by December 2010 on its efforts to develop and implement the projects.

DNR may seek grants or financing from the federal government, industry, or philanthropists.

Appropriation: None.

Fiscal Note: Requested on February 12, 2009.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill does not require any additional resources from the Legislature; in fact, this could be a new revenue stream for the state's trust beneficiaries. By utilizing our state's forest biomass, we can create new jobs, remove potential fire hazards, create renewable energy, and be a part of the climate change solution. One of the drawbacks in using forest biomass has been the cost of transporting the biomass out of the forest to the processor. The technology is available today to process the biomass on-site; the conversion can take place in the woods. Removing the biomass from our forests improves forest health, reduces the risk of forest fires, and provides opportunities for jobs and renewable energy, especially in rural parts of the state.

Persons Testifying: PRO: Stephen Bernath, Department of Ecology; Tim King, Carbon Technology Transfer Center; Peter Goldmark, Heath Packard, Aaron Everett, DNR; Bill Robinson, The Nature Conservancy; Kriistina Vogt, University of Washington; Sean L. O'Sullivan, Association of Washington Pulp and Paper Workers; Bob Guenther, International Brotherhood of Electrical Workers; Robert Janicki, Janicki Energy; Stan Gent, Seattle Steam

Company; Bill Quigg, Grays Harbor Paper; Mike Doherty, Clallam County Commissioner; Ahava Amen, New Earth Renewable Energy; Mark Doumit, Washington Forest Protection Association; Merrill Ott, Steven's County Commissioner; Dale Borgford, Borgford BioEnergy, LLC.