



Testimony to the House Environment and Natural Resources Finance and Policy

April 16, 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.

A year ago, Washington became the third state in the country to implement a clean transportation fuel standard. Prior to this, **Washington State also made national news in 2016 by flying an Alaska Airlines commercial jet from Seattle to Washington, DC. What made this flight noteworthy was that it used a biofuel derived from wood.** 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.

**MFRC has three recommendations for this committee to consider: 1) include woody biomass as an eligible renewable biofuel feedstock for Sustainable Aviation Fuel (SAF), 2) include woody biomass as an eligible feedstock for Sustainable Aviation Fuel under a Clean Transportation Standard (CTS); and 3) support, through fuel credit generation, all sources of woody biomass that further lower life-cycle greenhouse gas emissions associated with Sustainable Aviation Fuel.** Please consider the following:

First, using low carbon emitting woody biomass for biofuels vastly reduces carbon emissions compared to petroleum-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.

Second, Minnesota has a sustainable supply of woody biomass that is vast, underutilized, and rapidly increasing on private, public, and urban forestlands. SAF can support sustainable forest management by providing a market for important forestry measures and actions that will further enhance forest resiliency to climate change.

Finally, innovative technologies are rapidly transforming woody biomass into an economically viable feedstock for sustainable aviation fuel, 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.

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**Minnesota Forest Resources Council Resolution 2022-1**  
**“Supporting Minnesota’s Climate Change Goals**  
**Through Development of Sustainable Forest Products Markets”**

1. **WHEREAS**, Minnesota is facing multiple challenges related to over-abundance of mill residuals, forestry residuals, and underutilized tree species.
2. **WHEREAS**, uneven policy support in Minnesota for bioenergy production using mill residuals, forest residuals, excess woody biomass, dead trees, diseased trees or otherwise unmarketable timber has resulted in the loss of a number of markets for such woody material.
3. **WHEREAS**, management of trees killed by extreme storm events, diseases, or insects such as emerald ash borer and spruce bud worm, is a critical problem in Minnesota that is expected to continue to grow over time with climate change.
4. **WHEREAS**, dead and dying wood, if unmanaged, creates multiple risks including risk of wild fire, habitat loss, and loss of the biogenic carbon sink.
5. **WHEREAS**, active forest management and stewardship, supported by local markets, and following sustainable forest management practices and sustainable management plans, is essential to maintaining healthy, productive forests that are resilient and adaptable to climate change.
6. **WHEREAS**, under the direction of the Minnesota Sustainable Forest Resources Act (MN Stat. 89A) the Minnesota Forest Resources Council (MFRC) has developed forest management guidelines for the sustainable harvest of forest residuals and woody biomass.
7. **WHEREAS**, MFRC is charged by statute with developing recommendations to the governor and to state government with respect to forest resource policies that result in the sustainable management, use, and protection of the state's forest resource.
8. **WHEREAS**, it is important that MFRC recommendations for new market attraction strategies to support sustainable forest management not create additional competition for otherwise marketable wood species.
9. **AND WHEREAS**, it is desirable for Minnesota to be a leader in developing and attracting the most advanced forest products industries to the state and to set the example for sustainable management of its forests
10. **BE IT THEREFORE RESOLVED**, the Minnesota Forest Resources Council, consistent with its statutory responsibility, recommends support for new and expanded Minnesota markets for forest and mill residuals, and other types of sustainably harvested woody biomass and encourages elected and appointed officials to:
  - a. Include woody feedstocks in statewide fuel or energy standards and/or offer broadly available production incentives for low carbon renewable biofuels derived from woody biomass or other bioenergy feedstocks.

11. **BE IT FURTHER RESOLVED**, the Minnesota Forest Resources Council commits to developing an action and communications strategy to further align new market development and sustainable forest management by:
- a. Evaluating appropriate sources of material that could be considered “woody biomass” or “forest residuals” such as mill residuals, harvest residuals, wood waste, diseased wood, unmerchantable wood, and other material removed for fuel reduction.
  - b. Describing how harvesting of these materials acknowledges Tribal treaty rights while integrating with existing forest management plans, timber harvesting guidelines, and forest certification standards.
  - c. Recommending policies and strategies for attracting new markets that align with the state’s management objectives, to potentially include energy products (e.g commercial and residential heating, pellets, biofuels) and non-energy products (e.g thermally-modified wood, biochar, activated carbon, biobased chemicals and extractives, and engineered and specialty wood products).

Motion supporting the resolution “**Supporting Minnesota’s Climate Change Goals Through Development of Sustainable Forest Products Markets**” (MFRC Resolution 2022-1) as a 2022 priority policy recommendation of the Minnesota Forest Resources Council; and directing the MFRC Policy Committee, MFRC Landscape Advisory Committee, and MFRC Communications Committee to collaboratively develop an action and communications strategy for conveying the recommendation to the Governor, Legislature, and stakeholders.

AYES (9) Craig Engwall, Janet Erdman, Kathleen Preece, Katie Fernholz, Kim Berns-Melhus, Kory Cease, Mike Kilgore, Pete Aube, Rick Horton

NAYS (1) Keith Karnes

ABSTAIN (2) Forrest Boe, Jim Manolis

ABSENT (4) Bob Owens, Connie Cummins, Deb Theisen, Scott Pittack



Attested to by:

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Pete Aube, Chair, Minnesota Forest Resources Council

01/18/2022

Date