

Policy Advances for Pellet Heating: State and Regional Progress



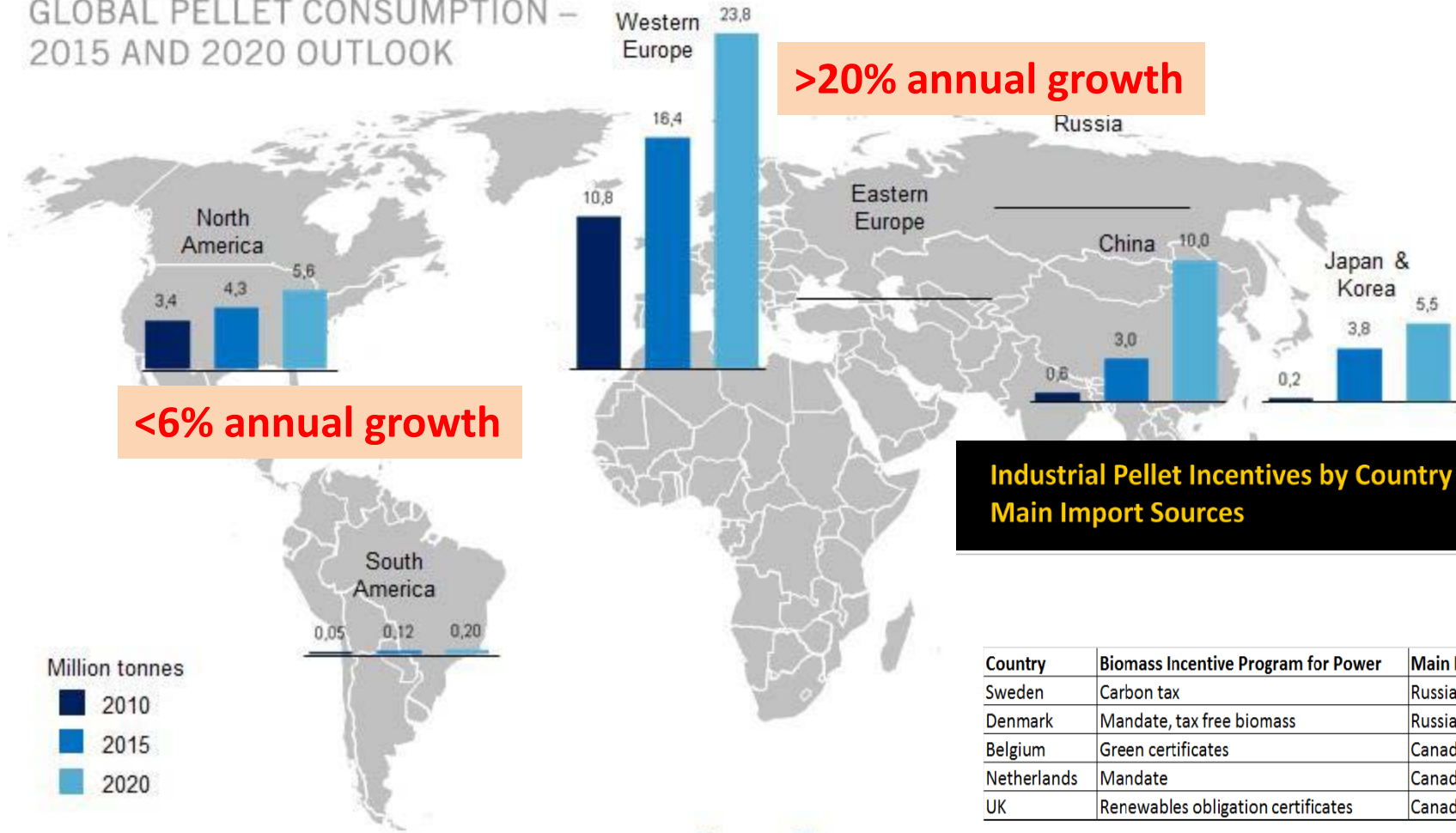
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July 28, 2014

Don't Think Policy Makes a Difference?

GLOBAL PELLET CONSUMPTION – 2015 AND 2020 OUTLOOK



Industrial Pellet Incentives by Country and Main Import Sources

Country	Biomass Incentive Program for Power	Main Import Sources
Sweden	Carbon tax	Russia, Baltics, Finland
Denmark	Mandate, tax free biomass	Russia, Baltics, Finland
Belgium	Green certificates	Canada, US
Netherlands	Mandate	Canada, US
UK	Renewables obligation certificates	Canada, US

Source: PÖYRY

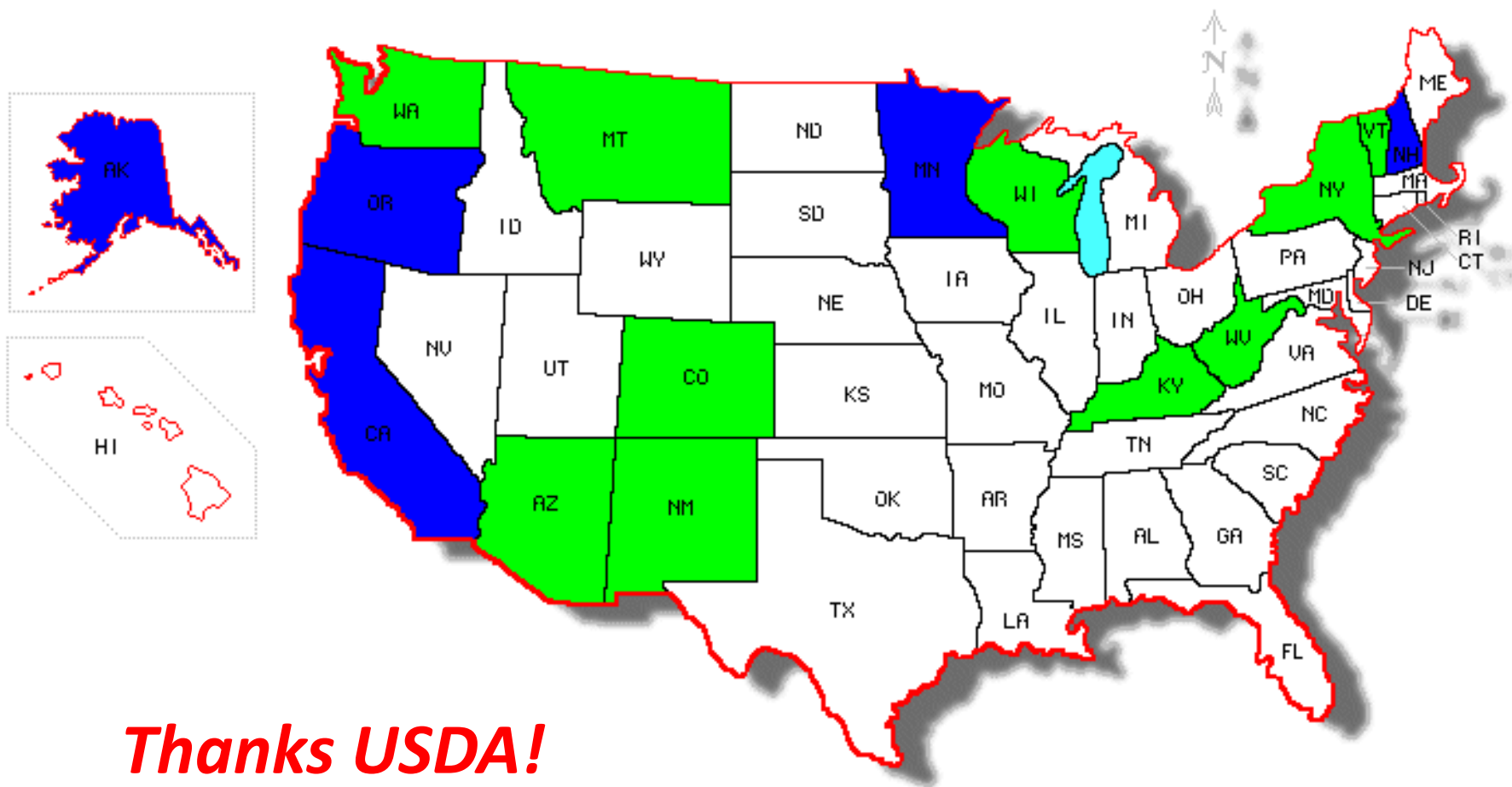
What's Driving Interest in Pellet Heating, and Policymaker Attention?

- High energy costs
- Fossil energy price volatility, e.g. propane, natural gas
- National attention on export pellet growth
- Policy attention on rural America, income gap
- Increased understanding of vital necessity of good markets for low grade wood
- Reducing fuel loads in regions of high forest fire risk

Some Examples

- **Biomass thermal in state energy plans** – MA, NH, NY, VT (e.g. MA CARTS, “Renewable Heat NY”)
- **Biomass thermal in state RPS programs** – NH; CO, MA, MD, NM, NY considering
- **Renewable Thermal Standard** – WI exploring
- **State grant programs** – MA, MN, NH, NY, PA, OR, WA, WI
- **Rebates for pellet appliances** – MA, MD, ME, NH, NY
- **Tax credits** – OR, WV
- **Leverage of private capital** – USEFC pilot programs in NH, OR

States with Wood Energy Teams



Thanks USDA!

Thank You



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