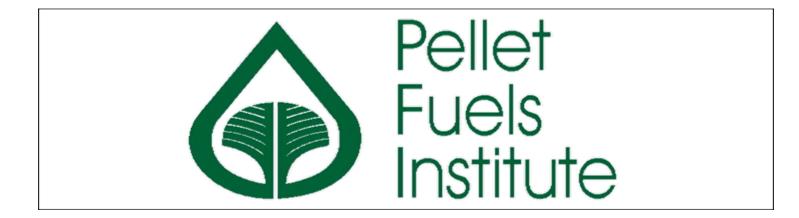


Government Affairs Update Pellet Fuels Institute



Government Relations



The Government Affairs (GA) Committee is very active on: ➤Federal Legislative Priorities on Capitol Hill.

➢ Regulatory focuses at the federal level.

Monitor State Level Activities

Assist with Grassroots Efforts

New Manager of Government Affairs, Ryan Carroll



Updates on 2009/2010 legislative pursuits in 112th Congress

•30% Tax Credit Capped at \$1,500 for 75% Efficient Stoves *part of second stimulus package that raised it from \$300,* December 2010 tax extenders bill extended the efficient stoves tax credit, but capped the credit at \$300 annually and \$500 lifetime.

 S. 1094, the Renewable Energy Alternative Production Act (REAP Act), introduced by Sen. Wyden (E-OR) – This legislation included language for a production tax credit (PTC) for the manufacturing of wood pellets.

•H.R. 2080, The American Biomass Heating Act, introduced by Rep. Hodes (D-NH) – This bill called for an increase in the existing tax credit for biomass appliances from \$1,500 to \$6,000.



•S. 3188, The American Renewable Biomass Heating Act by Sen. Shaheen (D-NH) – This legislation would have provided an investment tax credit for biomass heating property.

•S. 1643, the Cleaner, Secure, and Affordable Thermal Energy Act, introduced by Sens. Snowe (R-ME) and Bingaman (D-NM) – Bill would have allowed fuel switching from home heating oil and natural gas to biomass for heating.

•H.R. 4227, Incentives to Increase Use of Renewable Biomass Act, introduced by Rep. Schrader (D-OR) – This bill would have allowed switching from fossil fuels to biomass.

•H.R. 3785, the Rural Energy Savings Program Act, introduced by Rep. Clyburn (D-SC) – This bill would have directed Secretary of Agriculture (USDA), through the Rural Utilities Service, to make interest-free loans to eligible entities for loans (which may bear interest of up to 3%) to qualified consumers to implement energy efficiency measures.



•H.R. 5019 and S. 3434, the Home Star Energy Retrofit Act, introduced by Rep. Welch and Sen. Bingaman, respectively. – There was a rebate section for biomass stoves, boilers, and furnaces in all versions of this legislation.

•S. 3079, the Building Star Energy Efficiency Act, introduced by Sen. Merkley (D-OR) – There was a rebate section for biomass boilers and furnaces in this bill.

•H.R. 622, introduced by Rep. Michaud (D-ME) – This legislation would have amended Internal Revenue Code of 1986 to expand the credit for renewable electricity production to include electricity produced from biomass for on-site use.

•Revolving Loan Fund for Confined Animal Feeding Operations FARM BILL

•The Reduce Energy Bills at Home Act, draft legislation by Sen. Snowe – This bill would amend the Internal Revenue Code to provide modifications to the tax credit for non-business energy property. This bill allows up to a \$3,000 tax credit for 75% efficient stoves and 80% efficient furnaces and boilers that heat at least 75% of the home and emit less than 3.0 grams/hr.



Capital Hill "Fly In's" First – April-May Next – Around Nov Board Meeting







IF YOU HAVE A NEW MEMBER OF CONGRESS IN YOUR DISTRICT

1.Invite Them to Your Plant2.See Me



PFI DEFENDS YOUR RIGHT TO DO BUSINESS!

The Administration and Congress have both stated that review of the effectiveness of regulatory programs, including their impact on domestic jobs, will be a major concern for at least the next two years. PFI will continue to monitor and provide comments on proposed rules that impact the pellet industry.

>EPA's Boiler MACT Final Rule

➢EPA's Solid Waste Rule

>USDA's Rule on the Biomass Crop Assistance Program (BCAP)

>OSHA's Proposed Rule on Combustible Dust



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