

Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry

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Benefits of Heating with Biomass

- Historically much less expensive vs. heating oil, propane, natural gas, electric heat
- Keeps fuel dollars local
- Energy independence, self determination
- New boiler technology = low emissions
- Renewable, low carbon fuel
- Supports good forestry and forest industry through markets for residues and low grade roundwood

Overview of Biomass Heating in NH

- Recognition of interdependence with biomass electric generation
 - Strong policy support for both electric and thermal use of biomass
- Cordwood/pellet stoves: 15% of households
- Pellet industry: residential and commercial central heating
- Chip heating: larger institutional and commercial buildings, e.g. NH DES/HHS Building
- NHWEC: Economic impact data, 116 commercial projects
- Incentives: grants, rebates administered by NH PUC
 - Funded by RPS alternative compliance revenues/RGGI
- Thermal RECs in NH RPS
- T-REC Enterprise Fund

Overview of Biomass Heating in MA

- Comprehensive Accelerated Renewable Thermal Strategy
 - Recognized essential role of sustainable biomass in meeting MA renewable energy and GHG reduction goals
- No pellet manufacturing and only one commercial wood-fired power plant
- Focus on “community scale” heating due to backlash from Manomet and changes in RPS regs that resulted
- Incentives: grants, rebates administered by MASS CEC and MA DOER
- Thermal Alternative Energy Credits in MA APS
 - Regulations pending

Recommendations for Commission

- Recognize thermal potential!
 - Maine has done this with Efficiency Maine programs – great leadership
- Ensure policy parity for electric and thermal
- Demand side incentives
- Performance incentives to lower operating cost – reward best technology
- Phase them down after period, known in advance to market
- Source of funds?
 - Ratepayer through RPS?
 - Tax credits?
 - Special appropriations?
- Get State Wood Energy Team operating: \$250K funds in hand from USDA!

Thank You



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