

January 19, 2023

Senator Liz Krueger Senate Standing Committee on Finance, Chair 172 State Street, Capitol Building Room 416 CAP Albany, NY 12247

Senator Kevin S. Parker Senate Standing Committee on Energy and Telecommunications, Chair 172 State Street Room 504, Capitol Building Room 504C Albany, NY 12247 Senator Pete Harckham Senate Standing Committee on Environmental Conservation, Chair 188 State Street, Legislative Office Bldg. Room 812 Albany, NY 12247

Submitted via email to <u>financechair@nysenate.gov</u>

Re: Joint – Public Hearing: To examine the legislative and budgetary actions necessary to implement the Climate Action Council Final Scoping Plan

On behalf of our members, the American Forest & Paper Association (AF&PA) appreciates the opportunity to provide our perspective, comments, and recommendations on the implementation of New York's Climate Action Council Final Scoping Plan. The following comments should serve to summarize our July 1 comments and verbal testimony at the May 11 public hearing. AF&PA also supports comments submitted and testimony given by the Empire State Forest Products Association and the Business Council of New York State.

AF&PA serves to advance U.S. paper and wood products manufacturers through factbased public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and Implementation of the Climate Action Council Final Scoping Plan AF&PA Comments

recycle resources, generate renewable bioenergy, and are committed to continuous improvement through the industry's sustainability initiative — <u>Better Practices, Better</u> <u>Planet 2030: Sustainable Products for a Sustainable Future.</u> The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately \$60 billion annually and is among the top 10 manufacturing sector employers in 45 states.

Our industry is a responsible steward of our planet's resources. Sustainably managed forests and our products sequester and store approximately 16 percent of annual U.S. carbon dioxide emissions. Additionally, our members have decreased their greenhouse gas (GHG) emissions by more than 24 percent since 2005 through improving energy efficiency, switching to less carbon-intensive fuels, and using more renewable bioenergy. Furthermore, our 2030 goal to reduce greenhouse gas emissions by 50 percent is consistent with President Biden's 2030 economy-wide goal, and a leading example for the U.S. manufacturing sector.

AF&PA believes that a comprehensive climate scoping plan must balance environmental, social, and economic concerns to ensure that our nation's economy and forest products industry remain globally competitive. In New York, the forest products industry employs over 27,000 individuals, and 73 percent of New York's forests are owned by private landowners.

While we are pleased to see New York's Final Scoping Plan recognize the forestry sector's carbon sequestration benefits, we have concerns with the plan's framework that we want to highlight as the General Assembly determines next steps in executing the plan. As described below, we are concerned that: (1) achieving 100 percent zero-emissions electricity by 2040 is infeasible; (2) the scope of biomass covered by the plan should be clarified; and (3) extended producer responsibility (EPR) is too burdensome relative to potential gains in recovery and recycling.

1. Feasibility Concerns – 100 Percent Zero Emissions Electricity by 2040

Pulp and paper mills generate their own renewable, carbon neutral energy to displace fossil fuels, and do so using stringent environmental controls. In 2020, AF&PA member pulp and paper mills self-generated 58 percent of the electricity needed to power their mills, most of which was renewable using carbon-beneficial biomass manufacturing residuals.

The plan's framework to achieve 100 percent zero emissions electricity by 2040 is infeasible, as most supply chains and manufacturers do not currently operate with 100

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percent zero emissions. If implemented, it would cause economic disruption by imposing unrealistic financial and compliance burdens for manufacturers. This ambitious goal could only be achieved by significant technological advances, and it is highly uncertain if those advancements will occur within the mandated timeframe. Accordingly, we encourage the General Assembly to account for these feasibility concerns and extend the 2040 proposed timeline to allow for a realistic implementation period to address these challenges.

As the forest products industry is an important consumer of transportation services, we also have feasibility concerns with the plan's proposal to transition away from combustion and move towards the electrification of buildings and transportation. We disagree with the plan's presumption that upstate areas experience benefits from reduced wood combustion. This claim fails to recognize the economic opportunities and environmental benefits of forest products and mills. The demand for forest products provided by the industry helps landowners maintain their land as forests and deliver carbon sequestration benefits.

2. Clarifying the Scope of Biomass

We appreciate that the plan recognizes that bioenergy produced from biomass residuals is carbon-beneficial and request a clarification that it includes the bioenergy produced by pulp, paper, and wood products mills. We request this clarification as paper and wood products manufacturers produce enormous amounts of carbon-beneficial bioenergy integral to making products that meet essential societal needs. This bioenergy is extracted from biomass residuals and biowastes that otherwise could be disposed of and emit greenhouse gases such as CO_2 and methane. This bioenergy displaces the need for fossil fuels and is consumed onsite or sold to the electricity grid.

The Forest-Based Circular Bioeconomy

The large current and potential future contributions of U.S. forest products and forests are best understood from the perspective of an integrated and circular bioeconomy. Vast volumes of CO₂ are removed from the atmosphere and stored in sustainably managed forests. Moreover, substantial amounts of this carbon are stored for varying times in a variety of paper and wood products (harvested wood product pools). Forest products also have a beneficial substitution effect – a low carbon footprint and other cobenefits, as discussed below. Additionally, due to the high recycling rate, biodegradability and other sustainable characteristics of our products, there are benefits in terms of reduced impacts on ocean life and other wildlife.¹ And as the future unfolds, more efficient use of bio-based materials, new innovations in more climate-

¹ National Council for Air and Stream Improvement (NCASI), Fact Sheet, "Paper and Plastic in Marine Environments (Aug. 2020).

smart products, and enhanced recycling could lead towards higher substitution effects and additional co-benefits.²

Utilizing the U.S. forest-based bioeconomy will help New York achieve its climate goals.

Energy Profile of Pulp, Paper and Wood Products Manufacturers

The U.S. forest products industry is a significant contributor of renewable energy, producing more carbon-beneficial bioenergy than any other industrial sector. On average, about two-thirds of the energy used at AF&PA member mills is generated from carbon-neutral biomass.³

The industry also strives to produce and use this energy as efficiently as possible. The industry is a leader in the use of combined heat and power (CHP) technology, which is extremely efficient because it uses the same fuel to produce both thermal energy used in the manufacturing process and electricity, some used on-site and some sold to the grid. In 2020, 99% of electricity produced by the industry was CHP-generated.⁴ The use of CHP provides energy efficiencies in the range of 50% to 80% at forest products mills, far beyond non-CHP electrical stations such as utilities, which are only about 33% energy efficient.⁵

We are concerned that biomass CHP generation is not listed in the plan as a renewable electricity source, and we recommend that it be listed.

Our commitments to renewable biomass energy and energy efficiency, including our extensive use of CHP, have led to a dramatic decrease in the sector's use of fossil fuel and GHG emissions. Energy purchased by member pulp and paper mills has decreased dramatically. In 2020, we achieved our 2020 purchased energy efficiency goal with a 13.3 percent improvement since 2005, surpassing our 10 percent goal. Further, in 2020 AF&PA member GHG emissions were 24.1 percent less than the 2005 baseline year, surpassing our 2020 goal of 20 percent reduction.⁶

² See, e.g., Peter Holmgren, FutureVistas, "Climate Effects of the Forest-Based Sector in the European Union" (2019), 4, 16.

³ 2020 AF&PA Sustainability Goals: Achievements Summary, <u>https://www.afandpa.org/sites/default/files/2022-</u>02/BPBP2020SustainabilityGoalsAchievementsSumary-2-2-22.pdf

⁴ U.S. Energy Information Agency, Form EIA-923 2020 data, https://www.eia.gov/electricity/data/eia923/ AF&PA Analysis.

⁵ U.S. Environmental Protection Agency, CHP Benefits, www.epa.gov/chp/chp-benefits ("The average efficiency of fossil-fueled power plants in the United States is 33 percent.")

⁶ 2020 AF&PA Sustainability Goals: Achievements Summary, <u>https://www.afandpa.org/sites/default/files/2022-02/BPBP2020SustainabilityGoalsAchievementsSumary-2-2-22.pdf</u>

Thus, we strongly believe that bioenergy produced and used by paper and wood products manufacturers is a carbon-beneficial fuel of the future.

3. Concerns with Extended Producer Responsibility

Paper and paper-based packaging are the most-recycled materials by weight from municipal waste streams in the U.S. Paper recycling also prevents landfill methane emissions. Imposing taxes or fees on paper products discourages consumers from using products that are recycled, compostable, reusable and made of renewable and recyclable material.

AF&PA opposes government-imposed consumer or producer fees, which unnecessarily increase costs for consumers, are regressive in nature, and create distortions in the free flow of recoverable commodities. If New York imposes a consumer or producer fee on a product or packaging, the revenue generated should be dedicated to a recycling-related purpose, such as recycling infrastructure specifically for the product or packaging targeted with the fee. A one-size-fits-all approach system like EPR for Paper and Packaging places highly successful materials in the position of subsidizing materials produced by direct competitors with different characteristics and recovery needs and impacts. We also recommend expenditures to modernize the material recycling facilities or MRFs, so they can produce a higher quality and cleaner recycled material product.

AF&PA believes market forces should guide paper and paper-based packaging recycling and recovery systems to promote waste reduction and extend the life of fiber. Paper recovery is already at a high level and approaching the maximum levels that are practically achievable. EPR would not improve the recovery rate. In 2021, 68 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent since 2009.⁷

Environmental Justice

We recognize the importance and value of incorporating environmental justice considerations into decision making and community engagement opportunities. Our mills and new projects support good paying jobs at the mill,⁸ as well as indirect jobs in the community, contribute to the local tax base, and modernizing equipment can achieve efficiencies that help to lower a mill's environmental footprint.

⁷ <u>https://www.paperrecycles.org/media/news/2020/05/12/u.s.-paper-industry-achieves-consistently-high-recycling-rate</u>

⁸ According to U.S. Bureau of Labor Statistics (BLS) data, average compensation at pulp, paper and paperboard mills exceeds the average for all private sector workers by 32%, and for all manufacturing workers by 17%. Analysis calculated by AF&PA using compensation data from the BLS's Employment, Hours, and Earnings database.

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Our sector believes we can achieve an improved quality of life for everyone when we focus on clear and responsible regulation, sound science and active partnerships alongside the communities where we operate and where our workforce lives.

Conclusion

As New York works to implement a climate strategy that will achieve long term success, AF&PA recommends New York promote the use of carbon neutral bioenergy and support industry-led paper and paper-based packaging recovery efforts that seek to enhance existing recovery and recycling programs.

We thank you for the opportunity to provide these written comments, and we look forward to working with you as this process moves forward. If you have any questions, please contact Laura Seidman at laura_seidman@afandpa.org and Abigail Sztein at abigail_sztein@afandpa.org.

Best regards,

Eric Steiner Vice President, Government Affairs American Forest & Paper Association

Enclosure: AF&PA's July 1, 2022, Comments on New York's Climate Action Council Draft Scoping Plan AF&PA's Circular Value Chain Graphic



July 1, 2022

Draft Scoping Plan Comments NYSERDA 17 Columbia Circle Albany, NY 12203-6399

Re: New York's Climate Action Council Draft Scoping Plan

To Whom It May Concern,

On behalf of our members, the American Forest & Paper Association (AF&PA) appreciates the opportunity to provide our perspective, comments, and recommendations on New York's Climate Action Council Draft Scoping Plan. The following comments should serve to supplement our verbal testimony at the May 11 virtual public hearing. AF&PA also supports the comments submitted by the Empire State Forest Products Association and the New York Business Council.

AF&PA serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recycle resources, generate renewable bioenergy, and are committed to continuous improvement through the industry's sustainability initiative — <u>Better Practices, Better Planet 2030</u>: <u>Sustainable Products for a Sustainable Future</u>.</u> The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 people in good paying jobs. The industry meets a payroll of approximately \$60 billion annually and is among the top 10 manufacturing sector employers in 45 states.

Our industry is a responsible steward of our planet's resources. Sustainably managed forests and our products sequester and store approximately 16 percent of annual U.S. carbon dioxide emissions. Additionally, our members have decreased their greenhouse gas (GHG) emissions by more than 24 percent since 2005 through improving energy efficiency, switching to less carbon-intensive fuels, and using more renewable bioenergy. Furthermore, our 2030 goal to reduce greenhouse gas emissions by 50 percent is consistent with President Biden's 2030 economy-wide goal, and a leading example for the U.S. manufacturing sector.

AF&PA believes that a comprehensive climate scoping plan must balance environmental, social, and economic concerns to ensure that our nation's economy and forest products industry remain globally competitive. In New York, the forest products industry employs over 27,000 individuals, and 73 percent of New York's forests are owned by private landowners. If New York adopts the plan as written, it would decrease forest management activities and discourage manufacturing facilities from remaining in New York. Since U.S. manufacturers are a more efficient user of fuel and natural

resources than manufacturers in most other countries, if New York manufacturers' shift production outside of the U.S., the unintended outcome would be a net increase in global GHG emissions.

While we are pleased to see New York's Climate Draft Scoping Plan recognize the forestry sector's carbon sequestration benefits, we have concerns with the plan's framework. As described below, we are concerned that: (1) achieving 100 percent zero-emissions electricity by 2040 is infeasible; (2) the scope of biomass covered by the plan should be clarified; and (3) the extended producer responsibility (EPR) is too burdensome.

1. Feasibility Concerns – 100 Percent Zero Emissions Electricity by 2040

The proposed framework to achieve 100 percent zero emissions electricity by 2040 is infeasible, as most supply chains and manufacturers do not currently operate with 100 percent zero emissions. If adopted as proposed, it would cause economic disruption by imposing infeasible financial and compliance burdens for manufacturers. This ambitious goal could only be achieved by significant technological advances, and it is highly uncertain if those advancements will occur within the mandated timeframe. Accordingly, New York should extend the 2040 proposed timeline and allow for a realistic implementation period to address these challenges.

As the forest products industry is an important consumer of transportation services, we also have feasibility concerns with the plan's proposal to transition away from combustion and move towards the electrification of buildings and transportation. Although no strategies target wood combustion specifically, we disagree with the plan's presumption that upstate areas experience benefits from reduced wood combustion. This claim fails to recognize the economic opportunities and environmental benefits of forest products and mills. The demand for forest products provided by the industry helps landowners maintain their land as forests and deliver carbon sequestration benefits.

Pulp and paper mills generate their own renewable, carbon neutral energy to displace fossil fuels, and do so using stringent environmental controls. In 2020, AF&PA member pulp and paper mills self-generated 58 percent of the electricity needed to power their mills, most of which was renewable using carbon-beneficial biomass manufacturing residuals.

We recommend 1) maintaining the use of biomass manufacturing residuals to preserve the competitiveness of U.S. manufacturing and 2) classifying pulp and paper sector as an energy-intensive and trade-exposed industry (EITE).

2. Clarifying the Scope of Biomass

We appreciate that the plan recognizes that bioenergy produced from biomass residuals is carbonbeneficial but request a clarification that it includes the bioenergy produced by pulp, paper and wood products mills. Paper and wood products manufacturers produce enormous amounts of carbonbeneficial bioenergy integral to making products that meet essential societal needs. This bioenergy is extracted from biomass residuals and biowastes that otherwise could be disposed of and emit greenhouse gases such as CO₂ and methane. This bioenergy displaces the need for fossil fuels and is consumed onsite or sold to the electricity grid. Accordingly, we request that the plan clarify the scope of biomass to expressly include the bioenergy produced by pulp, paper, and wood products mills.

The Forest-Based Circular Bioeconomy

The large current and potential future contributions of U.S. forest products and forests are best understood from the perspective of an integrated and circular bioeconomy. Every link in the value chain

is interdependent and essential for the potential of the U.S. forest-based bioeconomy for carbon benefits and other benefits.

Vast volumes of CO₂ are removed from the atmosphere and stored in sustainably managed forests. Moreover, substantial amounts of this carbon are stored for varying times in a variety of paper and wood products (harvested wood product pools). Forest products also have a beneficial substitution effect – a low carbon footprint and other co-benefits, as discussed below. Additionally, due to the high recycling rate, biodegradability and other sustainable characteristics of our products, there are benefits in terms of reduced impacts on ocean life and other wildlife.¹ And as the future unfolds, more efficient use of bio-based materials, new innovations in more climate-smart products, and enhanced recycling could lead towards higher substitution effects and additional co-benefits.²

As an integrated whole, the forest-based circular bioeconomy provides substantial climate benefits and many other co-benefits,³ such as:

- Maintaining forest health and resilience⁴ and sequestering carbon in both forests and forest products;
- Cutting in half the Scope 1 and 2 GHG emissions of paper and wood products manufacturers since 1990 and contributing to greening the electrical grid;⁵
- Improving recycling performance⁶ (the paper recovery rate for recycling almost doubled from 33.5% in 1990 to 65.7% in 2020), resulting in avoided emissions, keeping materials in use at their highest value, and preventing waste;⁷
- Generating carbon-neutral bioenergy, largely from the residuals of our manufacturing process; and
- Providing more sustainable alternatives to GHG-intensive or fossil-based products.⁸

Finding the kind of climate solutions that New York has called for includes reliance on renewable energy, lowering the fossil-intensity of products, supporting local economies, providing sustainable investment opportunities, and operating at a scale that can have a meaningful impact, while supporting human health, the environment, and opportunities for everyone. The U.S. forest-based bioeconomy can help contribute to all of these benefits.

¹ National Council for Air and Stream Improvement (NCASI), Fact Sheet, "Paper and Plastic in Marine Environments (Aug. 2020).

 ² See, e.g., Peter Holmgren, FutureVistas, "Climate Effects of the Forest-Based Sector in the European Union" (2019), 4, 16.
³ See Kirsten Vice, NCASI, Slide Presentation, "Articulating the Forest Sector's GHG/Carbon Story – Key Facts" (June 10, 2021).

 ⁴ See R.W. Malmsheimer et al., "Managing Forests because Carbon Matters: Integrating Energy, Products, and Land Management Policy," 109 Journal of Forestry 7 (2011).

⁵ NCASI, White Paper, "Greenhouse Gas Reductions for the U.S. Pulp and Paper Industry" (Oct. 2021).

⁶ Paper is recycled at much higher rates than other commodities, and the paper industry has planned or announced approximately \$5 billion in manufacturing infrastructure investments by the end of 2023 to further the best use of recycled fiber in our products.

⁷ NCASI, Fact Sheet, "The Forest Products Sector: Circular by Design?" (Dec. 2018).

⁸ NCASI, White Paper, "Review of Literature on Forest Products-Related Avoided Greenhouse Gas Emissions" (July 2020).

Energy Profile of Pulp, Paper and Wood Products Manufacturers

The U.S. forest products industry is a significant contributor of renewable energy, producing more carbon-beneficial bioenergy than any other industrial sector. On average, about two-thirds of the energy used at AF&PA member mills is generated from carbon-neutral biomass.⁹

The industry also strives to produce and use this energy as efficiently as possible. The industry is a leader in the use of combined heat and power (CHP) technology, which is extremely efficient because it uses the same fuel to produce both thermal energy used in the manufacturing process and electricity, some used on-site and some sold to the grid. In 2020, 99% of electricity produced by the industry was CHP-generated.¹⁰ The use of CHP provides energy efficiencies in the range of 50% to 80% at forest products mills, far beyond non-CHP electrical stations such as utilities, which are only about 33% energy efficient.¹¹

We are concerned that biomass CHP generation is not listed in the plan as a renewable electricity source, and recommend that it be listed in the plan as a renewable electricity source.

Our commitments to renewable biomass energy and energy efficiency, including our extensive use of CHP, have led to a dramatic decrease in the sector's use of fossil fuel and GHG emissions. Energy purchased by member pulp and paper mills has decreased dramatically. In 2020, we achieved our 2020 purchased energy efficiency goal with a 13.3 percent improvement since 2005, surpassing our 10 percent goal. Further, in 2020 AF&PA member GHG emissions were 24.1 percent less than the 2005 baseline year, surpassing our 2020 goal of 20 percent reduction.¹²

There is a strong scientific consensus on the enormous greenhouse gas reduction benefits from the bioenergy produced by pulp, paper and wood products mills:

- During the Obama Administration, U.S. EPA conducted an extensive analysis of bioenergy and indicated that there are large climate benefits from the bioenergy produced and used by the forest products industry. Specifically, a detailed analysis of a liquid biofuel (sometimes called black liquor) produced and used by pulp and paper mills showed that it is at least carbon neutral and can be even better than carbon neutral. As a result, the analysis assigned black liquor a zero to negative biogenic assessment factor.¹³
- An extensive, peer-reviewed study by the National Council for Air and Stream Improvement shows that, each year, the bioenergy produced from manufacturing residuals and biowastes in the U.S. paper and wood products industry avoids the emission of approximately 181 million metric tons of CO2e.¹⁴ (This greenhouse gas reduction benefit is roughly equivalent to removing about 35 million cars from the road.)

⁹ 2020 AF&PA Sustainability Goals: Achievements Summary, <u>https://www.afandpa.org/sites/default/files/2022-02/BPBP2020SustainabilityGoalsAchievementsSumary-2-2-22.pdf</u>

¹⁰ U.S. Energy Information Agency, Form EIA-923 2020 data, https://www.eia.gov/electricity/data/eia923/ AF&PA Analysis. ¹¹ U.S. Environmental Protection Agency, CHP Benefits, www.epa.gov/chp/chp-benefits ("The average efficiency of fossil-fueled power plants in the United States is 33 percent.")

¹² 2020 AF&PA Sustainability Goals: Achievements Summary, <u>https://www.afandpa.org/sites/default/files/2022-</u>02/BPBP2020SustainabilityGoalsAchievementsSumary-2-2-22.pdf

¹³ U.S. Environmental Protection Agency, Draft Framework for Assessing Biogenic CO2 Emissions from Stationary Sources (Nov. 19, 2014), Appendix D, pp. D21-30.

¹⁴ Caroline Gaudreault and Reid Miner, Temporal Aspects in Evaluating the Greenhouse Gas Mitigation Benefits of Using Residues from Forest Products Manufacturing Facilities for Energy Production. Journal of Industrial Ecology (Dec. 2015), at

Dr. Timothy Searchinger, a scholar who prompted the discussion about the carbon neutrality of biomass, has stated specifically that "black liquor from paper making" is an "advisable" source of bioenergy.¹⁵ In addition, in a joint paper with Dr. Searchinger, Dr. Steven Hamburg, the Chief Scientist of the Environmental Defense Fund, and other experts, the co-authors concluded that "biomass should receive credit to the extent its use results . . . from the use of residues or biowastes."¹⁶

Thus, we strongly believe that bioenergy produced and used by paper and wood products manufacturers is a carbon-beneficial fuel of the future.

3. Extended Producer Responsibility Concerns

Paper and paper-based packaging are the most-recycled materials by weight from municipal waste streams in the U.S. Paper recycling also prevents landfill methane emissions. Imposing taxes or fees on paper products discourages consumers from using products that are recycled, compostable, reusable and made of renewable and recyclable material.

AF&PA opposes government-imposed consumer or producer fees, which unnecessarily increase costs for consumers, are regressive in nature, and create distortions in the free flow of recoverable commodities. If New York imposes a consumer or producer fee on a product or packaging, the revenue generated should be dedicated to a recycling-related purpose, such as recycling infrastructure specifically for the product or packaging targeted with the fee. A one-size-fits-all approach system like EPR for Paper and Packaging places highly successful materials in the position of subsidizing materials produced by direct competitors with different characteristics and recovery needs and impacts. We also recommend expenditures to modernize the material recycling facilities or MRFs, so they can produce a higher quality and cleaner recycled material product.

AF&PA believes market forces should guide paper and paper-based packaging recycling and recovery systems to promote waste reduction and extend the life of fiber. Paper recovery is already at a high level and approaching the maximum levels that are practically achievable. EPR would not improve the recovery rate. In 2021, 68 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent since 2009.¹⁷

4. Environmental Justice

We recognize the importance and value of incorporating environmental justice considerations into decision making and community engagement opportunities. Our mills and new projects support good paying jobs at the mill,¹⁸ as well as indirect jobs in the community, contribute to the local tax base, and modernizing equipment can achieve efficiencies that help to lower a mill's environmental footprint.

^{1,004-05;} National Council for Air and Stream Improvement, Inc. Greenhouse gas and fossil fuel reduction benefits of using biomass manufacturing residuals for energy production in forest products facilities.

¹⁵ Dr. Timothy Searchinger and Ralph Heimlich, Avoiding Bioenergy Competition for Food Crops and Land. World Resources Institute (2015), at 22 and 24 (Table 3)

 ¹⁶ Dr. Timothy Searchinger, Dr. Steven Hamburg, et al., Fixing a Critical Climate Accounting Error. Science (Oct. 22, 2009)
¹⁷ <u>https://www.paperrecycles.org/media/news/2020/05/12/u.s.-paper-industry-achieves-consistently-high-recycling-rate</u>

¹⁸ According to U.S. Bureau of Labor Statistics (BLS) data, average compensation at pulp, paper and paperboard mills exceeds the average for all private sector workers by 32%, and for all manufacturing workers by 17%. Analysis calculated by AF&PA using compensation data from the BLS's Employment, Hours, and Earnings database.

Our sector believes we can achieve improved quality of life for everyone when we focus on clear and responsible regulation, sound science and active partnerships alongside the communities where we operate and where our workforce lives.

5. Conclusion

As New York works to recalibrate a climate strategy that will achieve long term success, AF&PA recommends New York promote the use of carbon neutral bioenergy and support industry-led paper and paper-based packaging recovery efforts that seek to enhance existing recovery and recycling programs.

We thank you for the opportunity to provide these written comments, and we look forward to working with you as this process moves forward. If you have any questions, please contact Laura Seidman at <u>laura_seidman@afandpa.org</u> and Abigail Sztein at <u>abigail_sztein@afandpa.org</u>.

Best regards,

Paul Noe Vice President, Public Policy American Forest & Paper Association

Enclosure: AF&PA's Circular Value Chain Graphic

THE PAPER & PACKAGING INDUSTRY ADVANCING A CIRCULAR VALUE CHAIN

Association

packaging that is turned into new products, our industry is contributing to a more sustainable future. Our industry uses **BIOMASS RESIDUALS** from manufacturing to produce carbon-AF&PA member company contributions to a circular beneficial bioenergy, which generates power for our value chain are reflected in green. pulp and paper mills and provides bioelectricity to CONVERTING Recycled paper and packaging is **COLLECTED** the grid. PLANTS turn paper and , , packaging AND SORTED for reuse in manufacturing. into products. SAWMILLS produce wood products. PULP AND PAPER MILLS produce paper and packaging using wood fiber from sustainable forests, leftovers from sawmills, and recycled paper. **RECYCLED PAPER AND PACKAGING** is collected from homes, schools and businesses to be remade SUSTAINABLY MANAGED into new paper products. FORESTS supply wood fiber for manufacturing. More than 1 billion trees are planted in the U.S. each year. Brands and retailers use **PAPER AND PACKAGING** to deliver goods and communicate to consumers. American Forest & Paper

From the replanting of trees that supply fiber and

enhance the environment to recycling paper and