



COMPOSITE PANEL ASSOCIATION

Advancing the wood-based panel and decorative surfacing industries

19465 Deerfield Avenue, Suite 306, Leesburg, Virginia 20176
Tel 703.724.1128 • 866.4COMPOSITES • Fax 703.724.1588

SUGGESTIONS FOR COMMENTING ON THE PROPOSED RULE FOR THE BIOMASS CROP ASSISTANCE PROGRAM (BCAP) IMPORTANT NOTICE TO ALL CPA MEMBERS AND ALLIES MARCH 16, 2010

The proposed rule for BCAP has been published and we are now in the critical public comment period for developing the final BCAP rule. **The deadline for submitting comments is April 9, 2010.** While the lobbying efforts of CPA and others have certainly made a difference, as evidenced by changes in the proposed rule, we are far from achieving our goal of ensuring that mill residual feed stocks are excluded as eligible materials under BCAP. If they are not excluded, the impact to our industry and downstream customers could be devastating as wood becomes extremely costly to purchase if it is even available.

CPA urges you to do two things as soon as possible this month:

File Comment on the BCAP Rule. The key issue we face in the draft rule is vague language that would still permit mill wood residuals to qualify for the subsidy. There are others pushing hard to keep vague language in the rule in hopes that they can retain access to our materials. CPA will be submitting detailed comments on behalf of the industry to ask for the specific language corrections that need to be made. In addition to CPA comments it is imperative that individual industry members and key customers send in their own comments and write their elected officials for support. It is less important that you provide highly detailed comments. We do suggest however, that the following messages are included in your text:

1. **EXPAND, DON'T DIVERT THE FIBER SUPPLY.** In general we support the BCAP program as it was originally intended. BCAP was established to expand the amount of biomass available for alternative energy, not divert it from existing industries, and any final rule must be true to this objective.
2. **ELIMINATE AMBIGUITY ABOUT THE ELIGIBLE MATERIALS LIST.** We appreciate the language excluding from subsidy materials destined for "higher value products." However, the language is too vague to prevent our main concern that fuel subsidies will be provided for mill

CANADA

99 Bank Street, Suite 701, Ottawa, Ontario K1P 6B9 • Tel 613.232.6782 • Fax 613.232.8386

INTERNATIONAL TESTING AND CERTIFICATION CENTER

73 Lawson Road, Suite 101, Leesburg, Virginia 20175 • Tel 703.724.1128 • Fax 703.724.1588

www.pbmdf.com

residual byproducts. The final rule must specifically state the following: **“Wood residues such as wood mill waste, scraps, sawdust, sawmill residual chips and shavings will be excluded from the list of eligible materials for BCAP.”**

Comments on the draft rule should be emailed to: cepdmail@wdc.usda.gov. Your email should reference “Comments, Commodity Credit Corporation Biomass Crop Assistance Program Proposed Rule (75 FR 6264-6288), 2/8/10.” The best format is to attach your comments, written on company letterhead, to the email.

Write Congress about the BCAP Rule. In addition, we suggest you send a letter similar to the attached draft letter template to your representative(s) and Senators from the district(s) and state(s) where you operate. If you have a key customer that you can contact that is equally interested in protecting our industry and their board supply we encourage you to contact them to do the same. This is an urgent matter that requires a timely response for your voice to be heard.

Members of the House of Representatives can be found with a Zip Code at <http://www.house.gov/zip/ZIP2Rep.html>.

Senators can be found at http://www.senate.gov/general/contact_information/senators_cfm.cfm

Members of the House and Senate Agriculture Committees from your state(s) should be included in your letters, even if they represent different districts in your state. They can be found at <http://agriculture.house.gov/inside/members.html>, and at <http://ag.senate.gov/site/cmtemembers.html>

Other Activities. We will communicate with you soon about other advocacy activities that are planned very soon by CPA and the Wood Fiber Coalition. If you have any questions, please contact Tom Julia at tjulia@cpamail.org or John Bradfield at jbradfield@cpamail.org.

[On Company Letterhead]

[Date]

The Hon. **[Name]**
[Address]
[Address]

Dear Congressman **[or]** Dear Senator **[Name]**:

[Company Name] would like to bring your attention to an urgent matter regarding the US Department of Agriculture's (USDA) Biomass Crop Assistance Program (BCAP), a proposed rule for which has been issued, with a public comment period ending on April 9, 2010. We are supportive of BCAP as long as the specific intent of the rule is clarified and upheld in the final language that will be issued later this year.

We operate a **[Particleboard/MDF/HB/Adhesive/Furniture/etc.]** plant in **[City/Town]** that has been a longstanding contributor to **[name of state]**'s employment and tax base. **[It is one of # facilities we operate around the United States that employs ### with annual sales of \$xxx.]**

Over the past few months we have been working with members of Congress and others to ensure that the BCAP rule does not provide subsidies for the utilization of mill wood residuals that our industry absolutely depends on for the manufacture of our products. Quite simply, if these wood residuals are included in the final BCAP subsidy program it will have devastating impact on our company and on the industry as a whole. While the proposed rule has attempted to make an accommodation to prevent the eligibility of our wood feed stocks, we are deeply concerned the language does not specifically eliminate this material's eligibility for a biomass fuel subsidy, and instead opens a back door that must be closed.

In anticipation of the end of the public comment period in a few weeks, we ask you to communicate with Secretary Vilsack now to emphasize two things:

- **The final BCAP language must be guided by the underlying principle that programs of this nature should expand the source of biomass materials for alternative energy, not divert such material from viable, job creating industries (like composite panel manufacturing and others) at taxpayer expense.**

- **The final BCAP language must be more specific as to materials covered and the following text must be added, without exception: "Wood residues such as wood mill waste, scraps, sawdust, sawmill residual chips and shavings will be excluded from the list of eligible materials for BCAP."**

We would appreciate your revisiting this important matter at your earliest convenience, and look forward to hearing from you.

Sincerely,

Name
Title