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Comments on the Alternative Portfolio Standard Guidelines

I have been in the industrial wood fired boiler business for 30 years. I manufacture and sell equipment primarily to the forest products industry in States with more favorable emission standards than Massachusetts. Although I know my boilers will never qualify for the grants under the Alternative Portfolio Standard I am somewhat obsessed with increasing the value of the States wood resources through the development of local fuel markets.

Every day I drive by the remains of 34,000 trees in different stage of grinding and removal in Worcester from the Asian Long Horn Beetle eradication program. Since there is no local market for this material there is actually a costs to the public of exporting a perfectly good low carbon fuel. Please take just a moment to think of the potential for locally available wood to reduce dollar exportation from energy importation. I know people reading these comments are all on the energy and environmental side of the table but I ask you, why isn't better utilization of our wood resources and economic develop issue? Reducing dollar exportation from energy importation could be a powerful economic development tool.

Overall, Massachusetts is to be commended for moving forward with a program to support renewable thermal energy production. Government involvement in the market gives wood to heat credibility among consumers. However, this program will drive the best wood combustion technologies while only marginally driving the wood heating market or the value of our wood resources.

I understand the need for the public sector to promote wood heating technology with the highest and best emission and environmental controls but you must understand that such a narrow focus does not address the fundamental economic and environment opportunity offered by our wood resources. DCR predicts that Massachusetts will lose 5% of our state's trees due to the emerald Ash bore over the next 10 to 15 years. The wasted wood from the 2011 tornado still scars the landscape releasing methane as it rots. Any forester will tell you the State's woodlands continue to be poorly managed because there is no market for wood which cannot be made into boards. There is actually a crisis in forest management, water shed management, forest fire management, invasive species management, board quality lumber development management and economic development management in rural areas which could all be mitigated by better use of wood as a fuel.

The APS reflects many of the attributes of the NYSEDA pellet based program which excludes chip burning. I have always welcomed pellets as a way to expand the market for wood fuel into suburban homes, but chips and cordwood I hold are the highest and best LOCAL market and are not given the consideration they deserves in public sector subsidies. The approved NYDERSA list of technologies

referenced in the guidelines are pellet, not chip, systems and I question if there any chip technologies which have been tested to the proposed emission thresholds. I know the technology which I sell cannot come close to meeting these standards.

With that as a background I would like to make two comments on the Standards:

- 1) I question why Massachusetts is requiring 30% MC to qualify for the subsidy? Why do we need to push beyond what Europe is doing with chips where 35% is often the standard? Why do regulations ALWAYS need to get more stringent? I am true advocate of local communities using their wood resources for maximum public benefit. There are costs to these benefits in the form of emissions. If the public could objectively look at the costs and benefits of using locally available wood for fuel, and the actual local impact on the economy and environment, I am quite confident they would avidly support local public buildings being heated with wood. People have to store wood to let it dry if they can't afford a drier. Inventorying wood to let it dry requires tying up money and is costly. Local wood to local heat offers huge potential benefits so limiting the moisture content limits opportunities to develop a local wood market. The State should be worried about what comes out the stack not the moisture content of the wood going in .
- 2) Second, I sell large wood boilers and they are all ASME approved. ASME standards are recommendations for State regulators who have discretion to accept or not accept the standards. Small wood to heat manufacturers around the world test to a different standard and are NOT ASME certified. Our neighbors to the north who have truly embraced using wood for heat do not require this certification and accept the European standard and this decision has significantly opened the wood to heat market. While I understand EOEAA does not set these standards, including them in the requirements endorses the State's irrational support of this narrow, American based, standard which is clearly a bottle neck to acceptable technologies.

In conclusion, The Technology I have sold for 30 years is clearly obsolete for today's out of the woods, New England based environmental requirements. I am OK with that because the market for my Company's product is extremely limited compared to the smaller systems supported by APS. The State of Massachusetts is focused on the right market with the greatest opportunity for environmental and economic benefit. Today I am simply suggesting that this program really needs to be broadened and complemented with programs which work on creating demand for available biomass as fuel.

I am sorry but I do not see the outcome from the APS as promoting more than a very limited opportunity within wood to heat market. It is a step in the right direction but the opportunity warrants more, a lot more.

Thanks for taking the time to consider my perspective.

Charlie Cary. Principal