

# Oregon's Biomass Experience

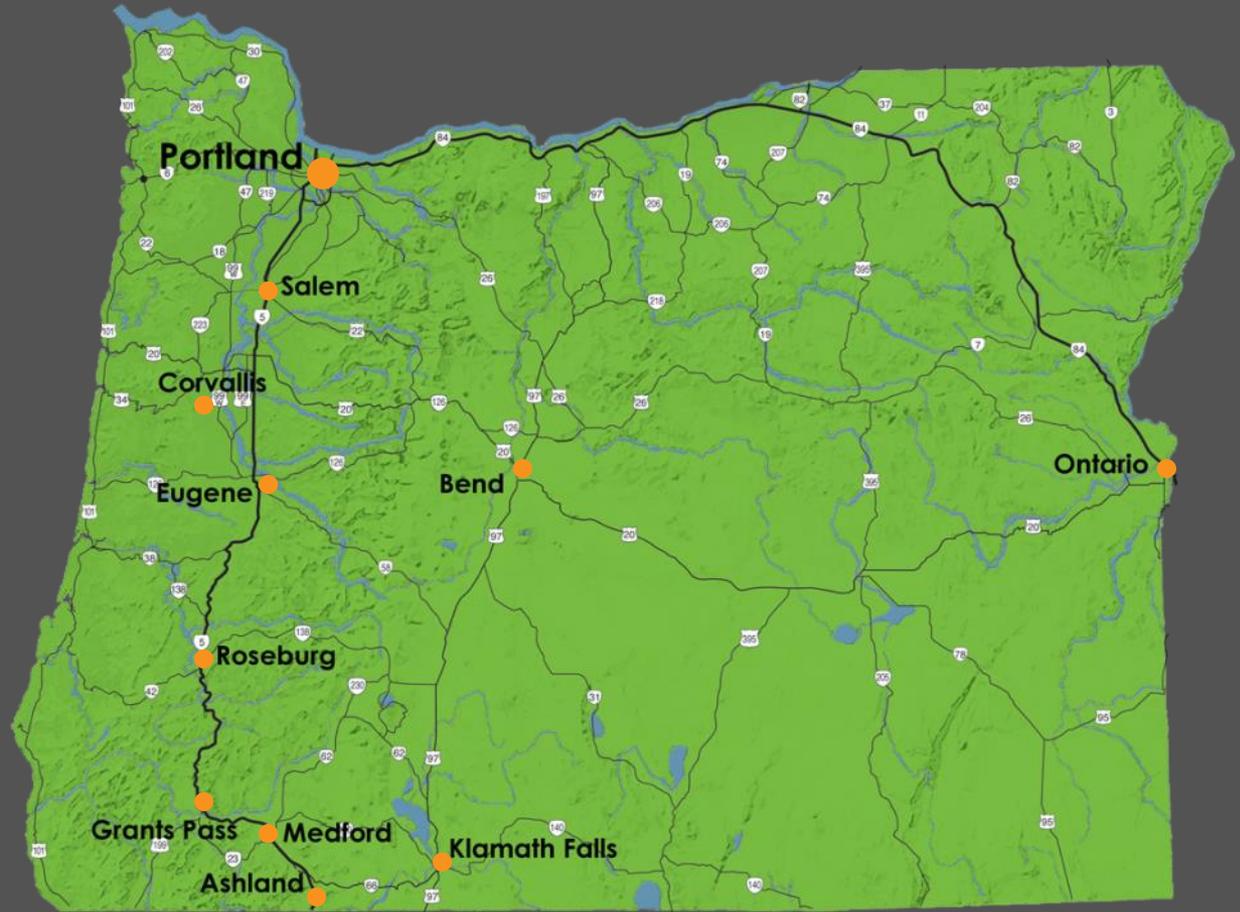
Matt Krumenauer

Oregon Department Of Energy

April 15, 2014



# Oregon Population: 3.7 million 78% in Cities



**OREGON**  
DEPARTMENT OF  
**ENERGY**



# Oregon's Biomass Policy

*“The policy of this state is to support efforts to build, and place in service, biomass-fueled energy production facilities that utilize biomass collected from forests or derived from other sources such as agricultural crops...”*

*ORS 526.277(6)*



**OREGON**  
DEPARTMENT OF  
**ENERGY**



# State Biomass Efforts

- RPS – RFS
- Capital Incentives and Loans
- Biomass Production Incentive
- Feasibility Funds
- Other Incentives
- What is next?



OREGON  
DEPARTMENT OF  
ENERGY



# Renewable Portfolio Standard

- 25% by 2025
- Unlimited Banking
- Eligible facilities built 1995 or after
- Biomass facilities built pre-1995 can earn RECs, but those RECs cannot be used for compliance until 2026



OREGON  
DEPARTMENT OF  
ENERGY

# Capital Incentives

- Business Energy Tax Credit (1979 – 2012)
- At times offered 50% of project costs in tax credits
- Convertible to cash at variable rate yields
- \$120 million in tax credits provided from 2002-2012



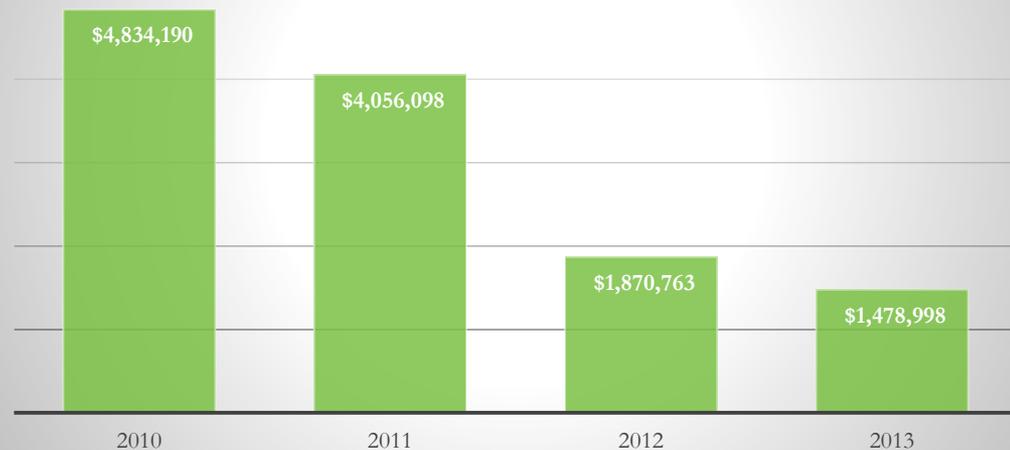
OREGON  
DEPARTMENT OF  
ENERGY



## Biomass Production Incentive

- \$10 per ton
- For the collector, not the facility
- Transferable, one-year credit

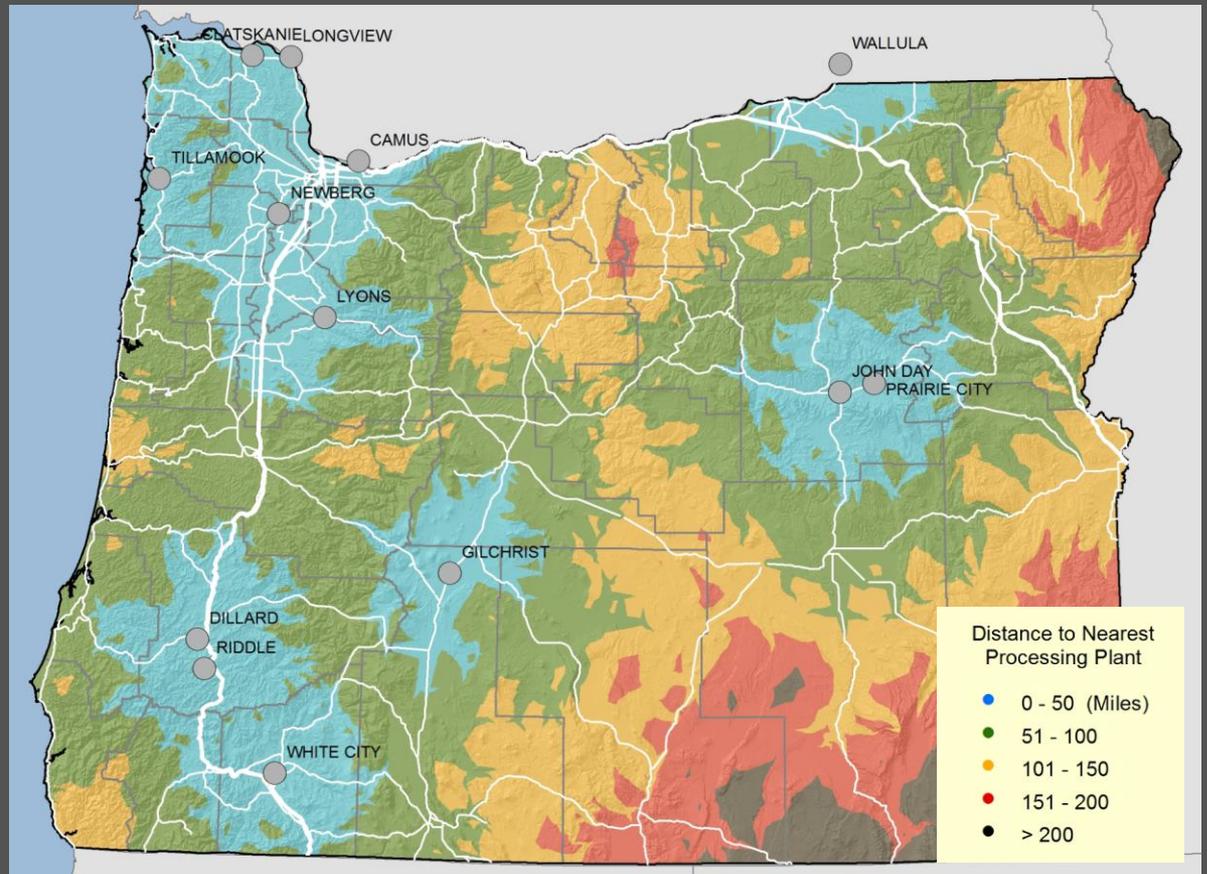
Biomass Tax Credit 2010 - 2013



OREGON  
DEPARTMENT OF  
ENERGY

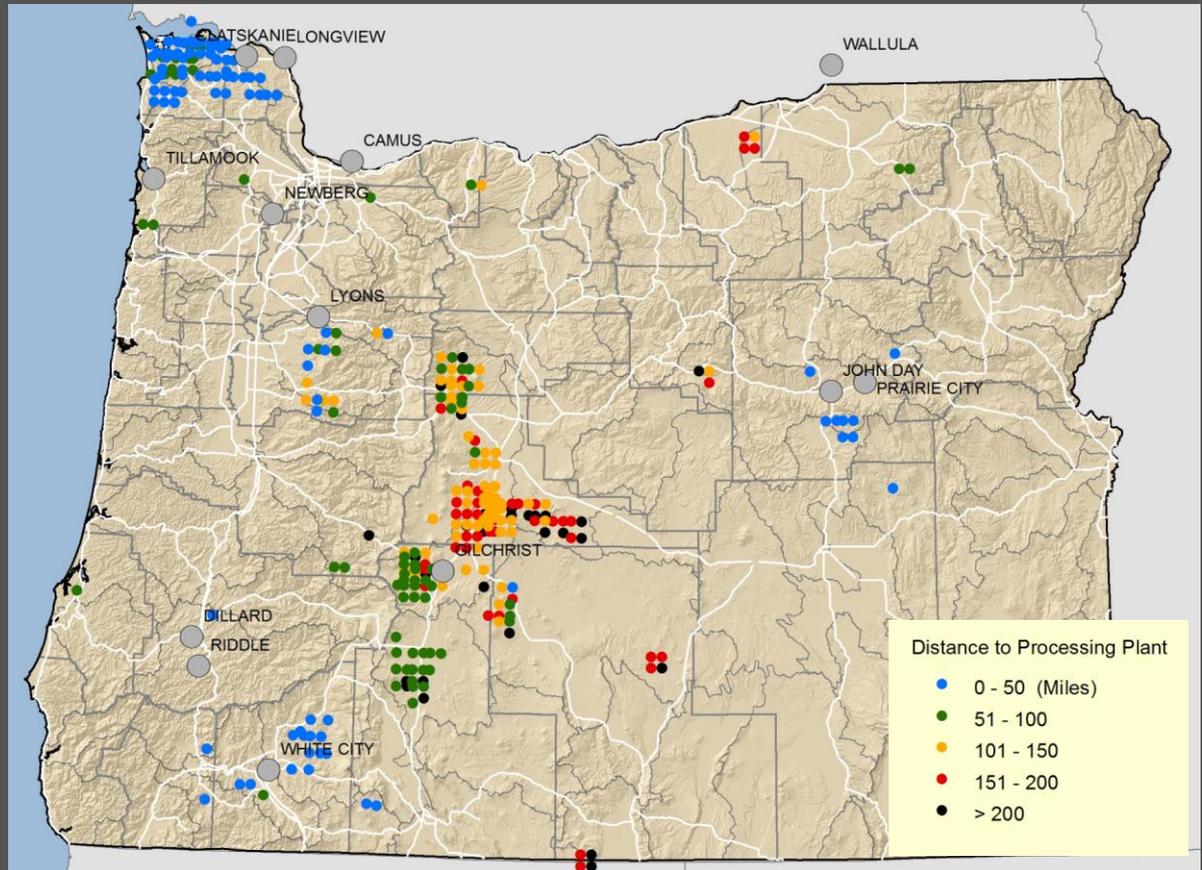


# Biomass Shipments



OREGON  
DEPARTMENT OF  
ENERGY

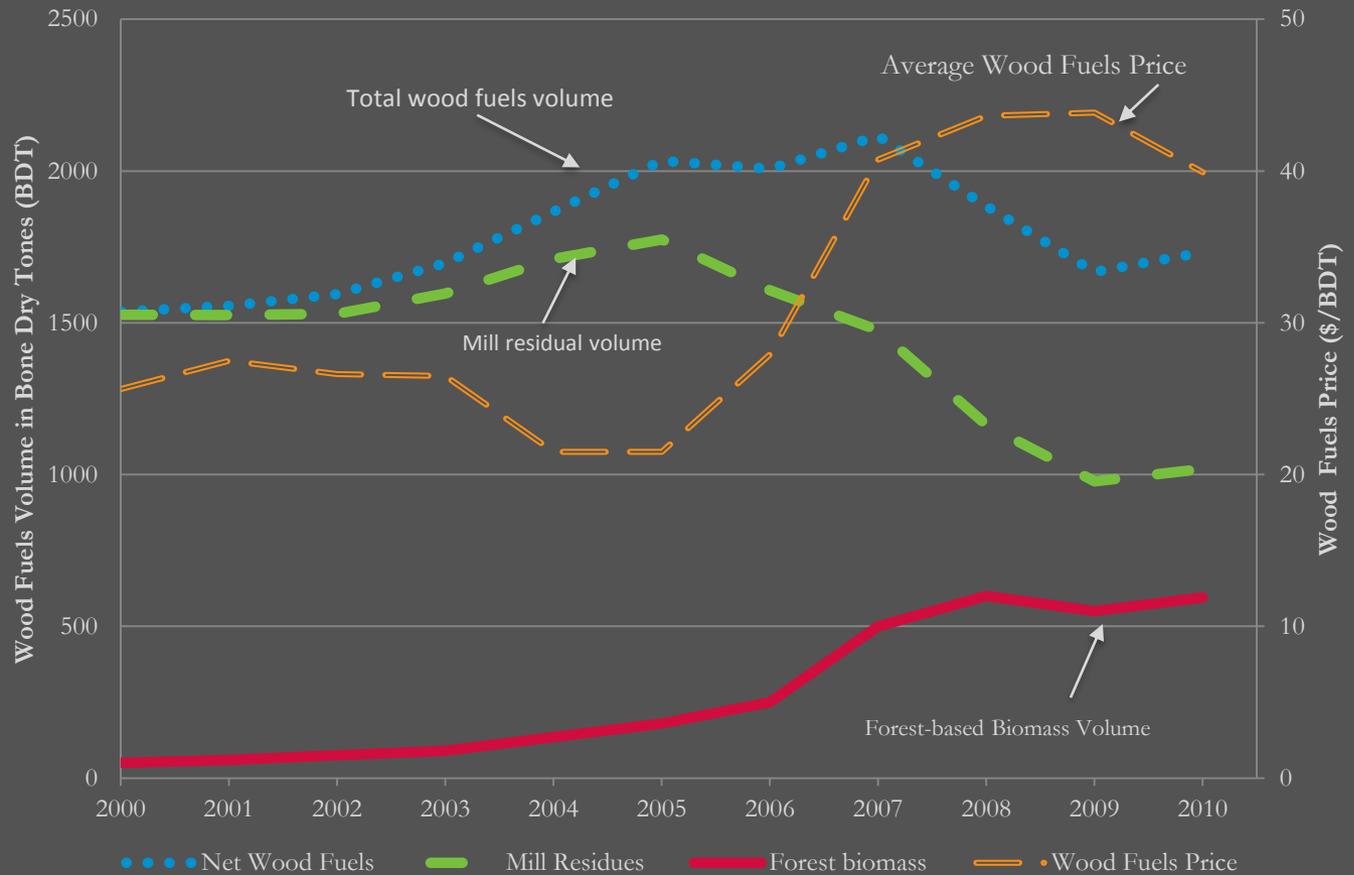
# Biomass Shipments



OREGON  
DEPARTMENT OF  
ENERGY

# Policy Impacts

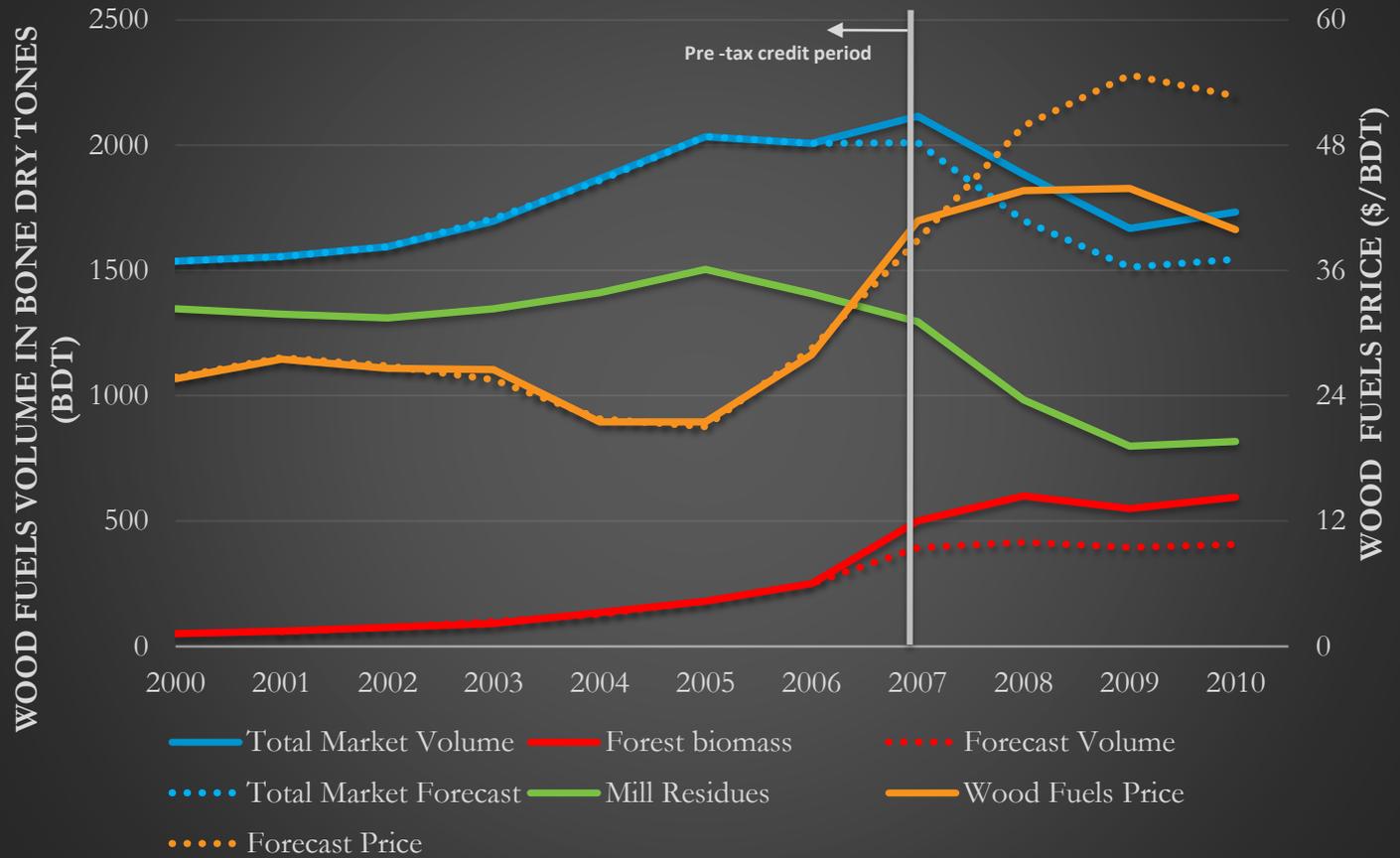
## Wood Fuels Market Annual Trends (2000-2010)





# Policy Impacts

Wood Fuels Market Annual Trends (2000-2010)





# Feasibility Funds and Leveraged Efforts

- Forest Products Energy Project
- Wood Energy Cluster project



OREGON  
DEPARTMENT OF  
ENERGY



## What's Next?

- Public-Private Partnerships
- New financing approaches
- Re-evaluate current incentives
- Scale-appropriate and diverse markets
- Renewed CHP efforts
- Whole mill view
- Not just energy



OREGON  
DEPARTMENT OF  
ENERGY



Matt Krumenauer  
Senior Policy Analyst  
Oregon Department of Energy  
503-378-6043

[Matt.krumenauer@state.or.us](mailto:Matt.krumenauer@state.or.us)

