AF&PA Advances Industry Policy Priorities in Washington, D.C.

By Donna Harman, President and CEO, American Forest & Paper Association (AF&PA)

Sixty-four new members of Congress have arrived in Washington, D.C., and we are putting on our most comfortable shoes to walk the halls of Congress and educate newly-elected and returning Senators and Representatives about paper and wood products manufacturing. Our industry is one of the largest manufacturing sectors in the country, representing nearly 900,000 jobs and ranking as a top ten manufacturer in 47 states with product sales of more than $200 billion per year. Consequently, our industry’s perspective on legislation carries sway.

For 2015, we see opportunities to advance our agenda on important economic and environmental policy issues. We believe Congress needs to tackle issues such as regulatory and tax reforms to unleash the power of the U.S. economy. From new greenhouse gas (GHG) regulations to pending air and water regulations, we expect the administration to accelerate its push to finalize several new rules before Obama’s term ends. Many of these new rulemakings could fly in the face of our efforts to become more efficient and improve our global competitive position.

Work Continues with EPA

Last fall, the U.S. Environmental Protection Agency’s (EPA) asked for public comments on its proposed Existing Source Performance Standards (ESPS) for power plants, which call for a 30 percent GHG emissions reduction by 2030. AF&PA submitted a lengthy list of concerns, including increased purchased electricity costs to our facilities and setting a bad precedent for how biogenic emissions will be treated in regulations going forward. Biomass was given some lip service in the proposed rule, but in the end, there was no meaningful distinction from fossil fuels.

Fast forward to Nov. 19 when EPA released its draft Framework for Assessing Biogenic CO2 Emissions from Stationary Sources. Although the framework and accompanying memorandum say many good things about biomass — including recognizing black liquor as carbon neutral — we still lack full clarification on how our industry’s use of manufacturing residuals will be regulated. And so, our work continues in 2015 to have EPA fully recognize biomass-based energy as carbon neutral in the upcoming final ESPS for existing power plants and revisions to the Prevention of Significant Deterioration and Title V permitting regulations.

Another major concern we will be taking to Congress and the administration is the EPA’s December 2014 proposed ozone national ambient air quality standards (NAAQS). This proposal calls for tightening the standard to between 65-70 parts per billion (ppb) from the current standard of 75 ppb. Although the agency also acknowledged retention of the current standard as an option for comment, the fact that the NAAQS have been reopened at all when the science shows the current standard is protective of health and the environment does not bode well. The 2008 standards have not yet been fully implemented. We will ask the agency to focus its attention on completing implementation of the current standards and to not move the goal post mid-game, which will risk stranding capital and disrupting investment planning.

While Congress and the administration are likely to disagree over these and other environmental policies, we expect both will focus on an infrastructure bill to address the nation’s crumbling highways. This may create an opportunity for AF&PA’s long-standing transportation priority of increasing trucking efficiency with a higher weight limit on federal interstates. A Department of Transportation study is expected to be released shortly. We hope it will show higher truck weights pose no additional risk to safety when the trucks are outfitted with a sixth axle, and, in fact, there is less wear and tear on the roads because the weight is better distributed. This would help our industry gain efficiency when transporting our finished products by using fewer trucks to deliver the same amount of goods.

AF&PA isn’t waiting to hear from Congress or the administration to advocate on our industry’s most pressing issues. We’re proud to work on your behalf to advocate for responsible environmental regulations as well as a variety of other public policies that will ensure a strong and sustainable paper and wood products manufacturing sector into the future.

To learn more about AF&PA, please visit: www.afandpa.org.