

MFA President Charlie Thompson aptly summarized why promoting the use of modern wood heat through the Alternative Portfolio Standards is good for forests, for the rural economy, and for woodland owners.

Thanks for the opportunity to speak briefly today. I'm a forester by profession, licensed in Massachusetts, New Hampshire, and Vermont. I'm the president of the Massachusetts Forest Alliance (MFA), a non-profit trade association and land trust. Detailed written comments on behalf of MFA have been submitted separately. I'm a resident of Hampshire County. My wife and I own 2 woodlots in Massachusetts, and a third in Vermont. My tenure of ownership for these three woodlots is 49 years, 39 years and 20 years, respectively. I own and manage them for a variety of reasons. Probably the most important is that I love being able to spend lots of time in the woods.

**I suspect that there are a couple of things that everybody here today agrees on - that forests are essential for the survival and welfare of the human race and the only planet that we so far inhabit. And, that forests will play an essential role in dealing with climate change.** Beyond that, I'm very certain that there are a lot of differences among us about specifics. But if we agree that retaining a lot of forest is a good thing, I want to talk a bit about that, and how it relates to the proposed Alternative Portfolio Standard regulations.

**Many landowners – me among them – need to be able to produce periodic income from their woods, in order to afford continued ownership of the land.** To do that, there need to be markets for the great variety of species and grades of wood that come from our natural, mixed-species, self-regenerating forests.

Recent dramatic changes in global supply and demand for products that are made from low value pulpwood mean that markets for low value wood are severely stressed. In the last decade, demand for pulpwood in Maine has plunged by about 4 million tons – annually!

Why does this matter to you? Even if you don't care about people losing jobs and the vigor of rural economies – and I wish you would - maybe you care about the loss of forest that is the inevitable consequence of loss of demand for low value wood. A lot of woodland owners need their woodland to be at least marginally economically viable.

How does the recognition of wood as a renewable fuel by the Alternative Portfolio Standards fit in? First of all, **wood, which in one sense is stored solar energy, is renewable and abundant.** The ratio of forest growth to forest harvest in Massachusetts is high – which means that carbon is accumulating in our forests at a rate that far exceeds the rate at which it is being harvested.

Second, **wood is a local fuel insulated from many of the shocks and disruptions associated with fossil fuel supply.** As a local fuel, it diversifies the energy mix and adds to regional energy security. It also keeps dollars local and creates jobs in places that need them.

Third, **while oil and gas are very cheap right now, they won't always be.** Homeowners, schools, places of worship, municipal buildings, housing complexes, and hospitals can save a lot of money by switching to wood. There are already many more installations in Massachusetts than you may realize, but there is potential for very significant growth in adoption of modern wood heating systems.

Fourth, **there have been technological developments in modern wood heating systems that have dramatically improved efficiency and reduced emissions.** Aside from the opportunity to switch systems from fossil to renewable fuel, there are big opportunities to replace older, dirtier wood systems with modern systems that are efficient, clean, and reliable.

Credits offered through the APS are needed to accelerate the development of what really amounts to a “new old” energy source and the associated infrastructure. The potential benefits will accrue to everyone, both in and outside of the supply chain – landowner, producer, manufacturer, installer, and community. The sustainability safeguards written into these regulations, combined with existing laws and regulations that protect water quality, soil, wetlands, and endangered species, are more than adequate to protect the multiple values we expect from our forests.

Thank you.