

**Rocky Mountain Restoration Initiative (RMRI)  
February 16, 2022, 11:00 AM – 1:00 PM  
RMRI Biomass Utilization Subcommittee  
Meeting Summary – FINAL**

<b>RMRI BIOMASS UTILIZATION SUBCOMMITTEE</b>	
<b>ATTENDANCE:</b> Maria Gaetani, Jason Lawhon, Danielle Okst, Molly Pitts, Tim Reader, Jeremy Taylor, Tara Umphries, Laura Wolf	
<b>ACTION ITEMS</b>	
<b>Danielle Okst</b>	<ul style="list-style-type: none"> <li>• Distribute a white paper on what models exist for firewood banks to the Biomass Utilization Subcommittee.</li> <li>• Research how funding from the Infrastructure Bill will be distributed for work under the Tribal Forest Protection Act</li> </ul>
<b>Tim Reader</b>	Distribute the link to the new USFS Region 2 timber map explorer.
<b>MEETING SUMMARY</b>	
<b>PRESENTATION TOPIC:</b> Infrastructure Bill and Other Federal Funding Opportunities, presented by Danielle Okst (Council of Western State Foresters)	
<p><b>Presentation Points:</b></p> <ul style="list-style-type: none"> <li>• The Infrastructure Bill will provide:               <ul style="list-style-type: none"> <li>○ \$514 million (\$102 million per year over five years) for hazardous fuels management activities on National Forest Service lands.</li> <li>○ \$12 million per year to state and private forestry authorities to create incentives for increased use of biomass on National Forest Service lands, including the Community Wood Energy Program and the Wood Innovations Program.</li> <li>○ \$200 million to produce biochar and other innovative wood products, \$100 million of which will go to the US Department of Agriculture (USDA).</li> <li>○ \$50 million to States and Indian Tribes to establish rental programs for portable skidder bridges, bridge mats, or other temporary water crossing structures</li> </ul> </li> <li>• The federal government is also looking to work with local partners to explore conservation financing and other funding mechanisms through the Infrastructure Bill. They also want to identify measures of success beyond board feet produced, such as watershed benefits, waste disposal cost offsets, etc.</li> <li>• One goal of the Infrastructure Bill regarding biomass utilization is establishing business enterprises, especially in underserved communities.</li> <li>• The Build Back Better Act has provisions around forest carbon plans. There may be grants to implement carbon sequestration projects, expand forest inventory assessments, research strategies to increase carbon stock, and assess carbon sequestration and storage opportunities.</li> <li>• The US Forest Service (USFS) is hosting a series of national and regional roundtables to discuss forest management strategy. One of the highlights from the national roundtable was the need for long-term planning to allow industry to have more business reliability. They also discussed the value of slash and developing flexibility in long-term contracts for business operators.</li> </ul>	

**DISCUSSION TOPIC:** Infrastructure Bill and Other Federal Funding Opportunities

**Discussion Points:**

- The Infrastructure Bill allocates \$8 million to provide feedstock to firewood banks and provide financial assistance for the operation of firewood banks. Southwest Colorado is looking to develop a wood bank to provide unmerchantable wood to the public. The Council of Western State Foresters has a white paper on what models exist for firewood banks that they can send out to the Biomass Utilization Subcommittee.
- The Infrastructure Bill allocates \$200 million to implement state forest action plans. The states will have flexibility in allocating the funding based on the priorities in the forest action plan. Some of the funding allocated for state forest action plan implementation can be used to increase capacity. The Colorado State Forest Action Plan has a section on industry support that may be eligible for funding.
- The apportionment and spending plan under the Infrastructure Bill have to be approved before funding is distributed to the US Forest Service. Funds distributed through grant programs will experience a delay, particularly for new grant programs. Funds distributed through non-traditional grant programs should be available around March.
- The Infrastructure Bill funding runs separately from the Congressional Budget, so it can be allocated even though the federal government is operating under a continuing resolution.
- The funding distributed through the Wood Utilization Grant will likely not mean more application periods for the grant. It is more likely that the Wood Utilization Grant Program will occur once a year but with more funding.
- The USFS Washington Office wants to bring on new staff to implement some of the new programs under the Infrastructure Bill, such as the skidder bridge or wood banks program.
- The skidder bridge funding will be available to state agencies, logging associations, soil and water conservation districts. The funding program will likely be sent to state forestry departments to distribute. The program is still in its draft form.
- It is uncertain how the funding will be distributed for work under the Tribal Forest Protection Act. Danielle Okst will research how funding from the Infrastructure Bill will be distributed for work under the Tribal Forest Protection Act.

**Decisions/Action Items:**

- **Danielle Okst:** Distribute a white paper on what models exist for firewood banks to the Biomass Utilization Subcommittee.

<ul style="list-style-type: none"> <li>• There is another funding opportunity that the USDA recently released to fund climate-smart commodities. The program is broad on purpose to promote innovation. Potential biomass utilization projects potentially eligible for funding include biochar or cross-laminated timber production.</li> <li>• As more funding comes down the federal pipeline, there will likely be a lot of interest in new forest businesses. The USFS partners should be mindful that businesses establish themselves in appropriate places based on the available wood supply. There needs to be enough supply to sustain a business in the long term without putting a strain on the resource.</li> </ul>	
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**DISCUSSION TOPIC: Partner Updates**

<b>Discussion Points:</b>	<b>Decisions/Action Items</b>
<ul style="list-style-type: none"> <li>• USFS Region 2 recently developed the timber map explorer. The map identifies the location of current forest business operations to help those implementing forest treatment projects identify potential outlets for project material. The map also includes fireshed and jurisdictional boundaries. It is possible to download the map layers for grant applications. The map is still missing spatial data on National Environmental Policy Action (NEPA) analyses. The map will be updated periodically to maintain its utility.</li> <li>• In 2021, the Colorado State Legislature passed a bill to establish a new biomass utilization grant program in the Colorado State Forest Service (CSFS). The bill did not establish any new funding for the program, so the CSFS had to look at its current budget to generate funding for the program. The CSFS rolled out the program in an unofficial capacity. Eight projects applied for funding. Most of the allocated funding has been to support existing programs and operations. Funding also went to the Oregon Department of Forestry to build a platform to identify opportunities for mass timber development in Colorado. Additional funding went an applicant to conduct a Bioeconomy Development Opportunity (BDO) Zone analysis to identify areas for potential capital investment into biomass facilities. The funding is flexible and can go to operators as well. The CSFS currently has a cap of \$50,000 per eligible project.</li> <li>• The USFS is meeting with Xcel to explore the opportunity for a biomass energy facility. Xcel Energy is interested in exploring a biomass power plant in Hayden, Colorado, to replace the decommissioning of the current coal power plant in the community. Xcel</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Tim Reader:</b> Distribute the link to the new USFS Region 2 timber map explorer.</li> </ul>

Energy is currently trying to narrow down what technologies make sense for a bioenergy facility. If this project moves forward, it will be a good project to highlight to demonstrate the viability of bioenergy.

- The Steamboat Springs ski resort is expanding. They are interested in exploring options to use biomass to heat their new facilities.
- Colorado Springs Utilities is interested in finding ways to support woody biomass utilization. They have been in discussions with a sawmill in Oregon interested in taking Colorado logs via railroads. There may be an opportunity to use Infrastructure Bill funding to build sort yards next to railroads to transport timber and finished products from Colorado. One challenge with transporting wood products via railroads is major pest issues. There are fewer pest-related issues transporting wood chips rather than logs. Colorado Springs Utilities is thinking about these types of challenges as they talk to out-of-state sawmills.
- Blanca Forest Products is expanding its facility and may be interested in taking wood from federal projects, which they traditionally have not done.
- A bill has recently been introduced into the Colorado State Legislature to help establish an apprenticeship program, sales tax exemptions, and tax credits for businesses. If the Biomass Utilization Subcommittee can think of any new legislative approaches, they can work with the Wildfires Matter Committee this summer for the next legislative session.
- There will likely be a biomass utilization conference in Southwest Colorado in the spring.
- The USFS received seven proposals for the Wood Innovations grant program. The USFS sent three proposals to the Washington Office for national review. The Washington Office should announce the funded projects in May.

#### NEXT STEPS

- Samuel Wallace will distribute a Doodle to schedule the next Biomass Utilization Subcommittee meeting in March/April.