

St. Paul Cogeneration

305 St. Peter Street
Saint Paul, MN 55102
651.290.2812

October 29, 2018

The Honorable Andrew Wheeler
Acting Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Acting Administrator Wheeler:

District Energy St. Paul, Inc. jointly owns and operates Saint Paul Cogeneration (SPC), a 33-megawatt biomass fired combined heat and power (CHP) facility located in downtown St. Paul. SPC provides significant support to the local Minneapolis-Saint Paul economy, and the facility presents a practical solution for processing vast amounts of wood waste that are accumulating in the community and surrounding areas.

The local economic impact of the facility is substantial. In addition to providing thermal energy used to heat buildings in downtown Saint Paul, and helping local businesses and communities manage waste wood, SPC currently puts approximately \$15 million annually into the local economy in the form of jobs, contractors, and equipment. The partnership behind SPC has invested tens of millions of private dollars into the facility.

SPC's primary source of biomass is clean waste wood that results from severe storms, disease, and tree trimmings. The facility takes on the urban wood waste created by removing trees in the Minneapolis-Saint Paul area diseased by the emerald ash borer, a pest that particularly afflicts the state of Minnesota with its estimated one billion ash trees. The plant combusts approximately 270,000 tons of waste wood annually. Over the last 5 years, waste wood from over 115 communities in and around the Twin Cities Metro area has been used to fuel the combined heat and power plant.

Eleven years ago, Congress agreed that electricity generated from renewable sources should be eligible for incentives under the Renewable Fuel Standard ("RFS") program. Four years ago, EPA approved application of this program to renewable energy sources, such as bioenergy plants. The Agency has since determined that certain solid forms of biomass fuel qualify under the RFS program. However, to date EPA has failed to act on this approval by processing formal applications from a number of renewable electricity producers seeking certification and identification numbers (Renewable Identification Number, or "RIN") under the RFS program. We understand that EPA now faces a four-year backlog of applications from power producers seeking registration, with many more requests expected to follow.

SPC intends to seek certification under the RFS program. At the same time that our services are increasingly needed in the state and metropolitan area, federal and state

policy is instead bolstering other sources of energy. It is essential to the financial well-being of SPC that this program be extended to our plant, and it is only fair that biomass power plants be entitled to benefit from the RFS program on an equal footing with other generators of renewable energy, such as wind and solar.

We respectfully urge you to act on all outstanding registration requests as expeditiously as possible, and to issue a final conclusion on the regulatory structure for the electric RIN pathway.

Best regards,



Kenneth W. Smith
Member, Board of Governors of SPC

c. The Honorable Amy Klobuchar
The Honorable Tina Smith
The Honorable Betty McCollum