

For Immediate Release
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140 Organizations Submit Letters to Senate Finance and House Ways and Means Committees Urging Passage of BTU Act

The Act provides a two-tiered investment tax credit to biomass thermal systems for commercial, industrial and residential applications

WASHINGTON – June 14, 2019 – The Biomass Thermal Energy Council (BTEC) and the 140 members of the BTU Act Coalition submitted letters to the House Ways and Means Committee and the Senate Finance Committee Energy Working Group, urging inclusion of the Biomass Thermal Utilization Act of 2019 (“BTU Act” - HR.1479, S.628) as the committees address potential extensions of renewable energy tax incentives.

Coalition members represent a broad cross-section of stakeholders, including rural economic development interests, clean energy advocates, forest conservation interests, and manufacturers of advanced, high efficiency biomass heating technology and fuels from across America.

“Investment tax credits have expanded the deployment of numerous renewable energy technologies since 2005. It is time to extend this market-making tax policy to thermal energy from renewable biomass. Thermal energy represents about one-third of energy consumption in America,” said Jeff Serfass, BTEC Executive Director, “and the tax code has long recognized solar thermal and geothermal. We only seek similar recognition.”

The BTU Act extends to high efficiency, clean wood heating systems the investment tax credits that currently exist for every other renewable energy technology. Specifically, the BTU Act provides for a 30% investment credit against installed capital cost for residential biomass heating installations (section 25D of the internal revenue code), and a 15% or 30% credit against installed capital cost for business installations, depending on level of efficiency met by the system (IRC section 48).

Forests are facing increasing threats from insects, disease, wildfires, development pressures, and rapidly shifting markets. Private and public forests need new markets, especially for low grade wood. Community scale heating, combined heat and power and district heating projects will help build strong local markets in support of responsible stewardship of these lands. Absent new market innovation, these forest health issues put at risk the many benefits that Americans receive from our forests.

Harnessing the potential of biomass thermal energy can increase rural economic development, job creation, and energy savings. When other heating fuels hit record highs in recent winters, modern wood heating systems provided cost savings of nearly 50% through utilizing fuels that come from our productive forests. The main hurdle that is precluding homeowners and businesses from converting to biomass thermal systems is the upfront capital costs of conversion.

By granting a modest investment tax credit, Congress can break down that barrier and kickstart the market uptake of advanced wood heating technologies.

The letter to the House Ways and Means Committee is [available here >>](#)

The letter to the Senate Finance Committee Energy Working Group is [available here >>](#)

BTEC invites those who support advancing policies for modern wood heating to join BTEC and its Policy and Government Affairs coalition by contacting Peter Thompson (peter.thompson@biomassthermal.org) or call (202) 596-3974 x302

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The Biomass Thermal Energy Council (BTEC) is an association of biomass fuel producers, appliance manufacturers and distributors, supply chain companies, and non-profit organizations that view biomass thermal energy and combined heat and power as renewable, responsible, clean, and energy-efficient pathways to meeting America's energy needs and strengthening local economies. BTEC engages in research, education, and public advocacy for the fast-growing biomass thermal energy industry.