August 14, 2026

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington D.C., 20220

The Honorable Christopher Wright
Secretary
U.S. Department of Energy
1000 Independence Avenue SW
Washington D.C., 20024

Re: Modifying the Annual Table to Confirm Woody Biomass Eligibility Under Section 45Y

Dear Secretary Bessent and Secretary Wright:

On behalf of the undersigned companies, organizations, and municipalities, we write to express our support for adding woody biomass as an eligible technology to the Annual Table for the Clean Electricity Production Tax Credit (Section 45Y).

Right now, while rural communities face economic challenges and forest products facilities continue to close, regulatory certainty for biomass generation can help drive investment into working forest economies. Confirming Section 45Y eligibility for woody biomass would strengthen markets for timber and mill residuals, supporting forest products manufacturers, rural jobs, and local economies. Further, including woody biomass supports forest management practices that reduce wildfire risks by monetizing debris that is otherwise left on forest floors and can fuel wildfires. As the Administration works to further strengthen rural America, ensuring biomass can compete on a level playing field under Section 45Y would spur economic growth in forest-dependent communities across the country.

Implementing Section 45Y to be consistent with both statutory text and congressional intent is essential, aligning with Administration goals of driving down energy costs and putting more baseload power on the grid. While the statute is clear that woody biomass should qualify for the tax credit, the Biden administration wrote it out of the regulations. Treasury has an opportunity to correct that mistake while driving critical investment into rural communities. Treasury should ensure that implementation of Section 45Y reflects that intent and upholds the technology-neutral standard of the statute.

Congress has repeatedly[1][2] recognized, as cited in the FY2023 and 2026 Energy & Water Appropriations packages, the carbon neutrality of sustainably sourced woody biomass in prior

[1] BILLS-119hr6938enr.pdf
[2] govinfo.gov/content/pkg/PLAW-117publ103/html/PLAW-117publ103.htm

legislation and policy frameworks. Accordingly, evaluating woody biomass projects under the same technology-neutral standards applied to qualifying generation resources would correct the Biden Administration's miscategorization of biomass. Doing so would provide taxpayers and investors with the confidence to invest in long-term biomass projects.

Correcting this regulatory overreach will also provide the necessary financial incentive to bring retired coal plants back online as biomass power plants. These conversions could be completed within 12-24 months inclusive of permitting, unlock stranded asset value using the existing site and interconnection, support rural communities, and provide immediate energy relief for our overstressed electric grid. Ensuring 45Y eligibility will help keep biomass facilities online for years to come, supporting reliable power generation and preserving jobs in energy-producing rural communities.

Woody biomass is a uniquely American energy resource. The fuel is grown, harvested, manufactured, and transported domestically, supporting private landowners, forest products manufacturers, and rural communities across the country. Modifying the Annual Table to ensure woody biomass eligibility under Section 45Y would support domestic investment, encourage responsible forest management, and reinforce American energy security through the utilization of abundant domestic resources.

We urge Treasury to confirm that electricity generated from qualifying sustainably sourced woody biomass is eligible under Section 45Y. Such action would provide needed certainty to investors, support domestic energy production, and ensure the statute is administered in a fair, predictable, and technology-neutral manner.

Thank you for your consideration of this request. We appreciate your continued efforts to provide clear and effective implementation of the nation's tax and energy policies.

Sincerely,

NATIONAL ORGANIZATIONS

Advanced Woody Biomass Alliance

American Biomass Energy Association

American Loggers Council

Forest Landowners Association

Hardwood Federation

National Alliance of Forest Owners

National Association of State Foresters

Society of American Foresters

LOCAL & REGIONAL ORGANIZATIONS

Arcola Logging Company, Inc. (North Carolina)

Alabama Forestry Association

Black Family Land Trust, Inc. (Virginia)

Carolina Loggers Association (North Carolina)

City of Lucedale (Mississippi)

Charles A. Wright Logging, Inc. / Meherrin River Forest Products (Virginia)

Ezzell Trucking, Inc. (North Carolina)

George County Community Development Office (Mississippi)

Georgia Forestry Association

Greenwood Chamber of Commerce (South Carolina)

Jackson County Economic Development Committee (Florida)

Mississippi Forestry Association

Mississippi Loggers Association

North Carolina Forestry Association

Richmond County Chamber of Commerce (North Carolina)

Franklin-Southampton Economic Development, Inc. (Virginia)

South Carolina Timber Producers Association

Sustainable Forestry and Land Retention Project (North Carolina)

True North Forest Management Services (North Carolina)

Virginia Loggers Association