

The Honorable Max Baucus
The Honorable Chuck Grassley
Committee on Finance
United State Senate
Washington, DC 20510

Edward E. Myers
1005 Hunt Lane
Ruston, LA 71270

RE: Alternative Fuel Mixture Tax Credit

July 9, 2009

Dear Senators Baucus and Grassley,

I am a professional forester with over 40 years of service in the forest products industry. Our industry has always been a leading producer and user of renewable biomass energy in the nation from sawmills that no longer burn their waste, but use it to produce heat to dry lumber or a pulpmill that uses biomass forest residue and black liquor to generate steam and power. I am very concerned that policymakers are considering early repeal of the alternative fuel mixture tax credit for black liquor, a byproduct of the paper-making process, when they should be considering extending the credit for a five plus year period. My company is currently in the Chapter 11 process and this credit may be the only source of revenue that will allow us to survive the current business downturn. Revoking the credit before it expires will put pressure on companies like mine to cut well paying jobs immediately.

The mill I am associated with continues to look for new ways to generate its own energy from renewable sources. In the last 5 years our company invested several million dollars to double the use of wood residue from the forest to generate steam and power. We attempted to use shredded used tires but had to discontinue due to air emissions. Black liquor is a renewable biomass fuel derived from sawdust, bark, and other parts of the tree. It is one of the renewable, carbon-neutral fuels used by pulp mills to produce electricity and heat, thus making it possible for our facility to generate approximately 75 percent of our energy needs onsite. Our mill also furnishes the surrounding community with a portion of their power for residential needs.

For years my company, like others in the forest products industry, has produced "green" energy without any incentive. Congress created an alternative fuel mixture incentive to encourage and reward users of renewable energy. The industry has complied with all necessary regulations for eligibility of the incentive and is using it to create clean-burning, environmentally friendly renewable energy, and in our case not just for our mill use. It is unfair to penalize one industry for utilizing an incentive simply because it a leader in the very activity the credit was designed to encourage especially when you see the millions of incentives the governments, local, state, and federal are passing out to monopolistic power companies to compete for the very fuel source we depend on.

I urge you not to revoke this important tax credit before it expires. Additionally I would ask you to extend and even provide additional incentives for facilities like ours to expand the energy they could produce and co generate power back to the grid. By maintaining black liquor's eligibility, you are supporting renewable energy production and "green" manufacturing jobs.

Sincerely,



Edward E. Myers

Cc Senator Mary Landrieu