



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MAR 28 2016

Her Excellency
Amber Rudd, MP
Secretary of State for Energy and Climate Change
3 Whitehall Place
London SW1A 2AW

Dear Madam Secretary:

I am writing about the sustainability of U.S. forests and the U.S. wood pellet industry. Some media outlets and non-governmental organizations have questioned the ability of southern U.S. forest areas to supply sustainable biomass to the United Kingdom (UK) and the European Union (EU). On the contrary, the U.S. wood pellet industry increases our forested area, reduces greenhouse gas emissions, and improves U.S. forest management practices.

The Forest Service, an agency of the U.S. Department of Agriculture (USDA), supports sustainable stewardship of more than 600 million acres of forestland across the United States, including more than 400 million acres (161.87 million hectares) of private land. Our latest inventory showed that the amount of forested land in the southern United States increased by 55 million acres (22.26 million hectares) from 2007 to 2012. Beyond its domestic mandate, the U.S. Forest Service is one of the most respected forestry research organizations in the world and supports sustainable stewardship of forests via technical cooperation in more than 80 countries.

Biomass generation provides significant greenhouse gas benefits to the UK, due to reduced fossil fuel combustion. In addition, demand for wood pellets also delivers compelling carbon and societal benefits to the United States. Independent analysis undertaken on this issue has consistently shown that demand for wood pellets promotes U.S. forest growth and reduces risks to U.S. forests. A study by Duke University and North Carolina State University found that increasing demand for wood pellets from the UK and EU has increased U.S. forested areas and investments in U.S. forestry. This is a direct result of more effective and intense management by forest owners as they strive to increase the value of their forests and optimize biomass production and use. A December 2014 study, conducted on behalf of USDA by Abt, Abt, Galik and Skog, drew similar conclusions.

If there is a risk of greater carbon emissions from forests in the United States, it can be attributed more to the loss of forested areas from development, increasing forest health disturbances (i.e. forest fire), and the aging of our forest sink, and less so to U.S. wood biomass generation. Forests with little or no economic value are at greater risk of conversion to non-forest uses, whereas viable markets for wood and wood fiber raise the value of forest lands and encourage

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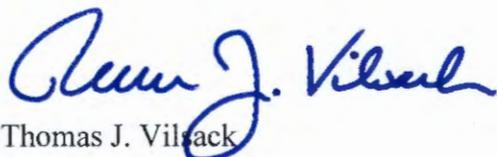
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investment, regrowth, and expansion. New economic opportunities for low-value wood for bioenergy from trading partners like the EU has increased demand for this material and improved the likelihood that forested lands remain intact. Extraction of this often unused material also reduces the risk of catastrophic wildfire and provides incentives for the development of better forest management techniques, mitigating the risk of pest infestation and disease. In addition, wood used for bioenergy products complements uses for higher value wood materials, such as timber for structural building material, furniture, high-end plywood, and veneer.

U.S. forestry is a sustainable and vibrant industry. U.S. forests provide many ecosystem services: wildlife habitat and biodiversity, filtering the air and freshwater that sustains communities, and providing opportunities for recreation. The U.S. forest ecosystem is under pressure from global climate change and increased urbanization, not from demand for wood products. Furthermore, U.S. Federal and State laws and regulations ensure the sustainability of the wood pellet sector.

I look forward to continuing to work with you to address concerns about climate change and fostering greater trade, cooperation, and understanding between our countries.

Sincerely,

A handwritten signature in blue ink, reading "Thomas J. Vilsack". The signature is fluid and cursive, with the first name "Thomas" and last name "Vilsack" clearly legible.

Thomas J. Vilsack
Secretary