

THE  
NEW ENGLAND  
COUNCIL

March 31, 2003

Dear Congressman:

On behalf of The New England Council, I am writing to urge you to cosponsor H.R. 804, a bill to amend the Internal Revenue Code of 1986 to include a tax credit for all existing biomass facilities. Renewable energy resources, in particular, biomass, are critical for New England. The region relies on renewables for approximately 17 percent of its overall fuel mix, with biomass second in net generation only to hydropower.

If passed, H.R. 804 will sustain the significant environmental and economic benefits provided by biomass energy in New England. Furthermore, a production tax credit has already been provided to the wind energy industry. Without a similar credit for biomass, the industry will most likely not survive in a deregulated energy market. The New England Council views this exclusion as counterproductive to efforts aimed at reducing the nation's dependency on foreign energy sources.

As you know, New England has almost no natural energy supplies of its own and is especially vulnerable to price fluctuations and scarcity of supply. The significant increases in the costs of natural gas and home heating oil this past year, as a result of a volatile market, underscore the need for energy security through fuel diversity.

The New England Council has long been at the forefront of the efforts to promote regional energy security through a diversified fuel portfolio with due consideration given to the environmental impact these energy supplies have on the region. Your support of this legislation is critical in helping to ensure a diversified fuel portfolio while retaining the jobs and environmental benefits provided by New England's biomass power industry.

Once again, The New England Council urges you to cosponsor H.R. 804. As always, if you have any questions, or if we can be of any assistance to you, please do not hesitate to contact us.

Sincerely,

James T. Brett  
President & CEO