

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 HOUSE BILL 1486

By: Morrissette

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5  
6 AS INTRODUCED

7 An Act relating to woody biomass; creating the  
8 Oklahoma Woody Biomass Energy Initiative Act of 2011;  
9 making legislative findings; defining certain term;  
10 creating the Woody Biomass Energy Initiative Council;  
11 establishing termination date; providing for  
12 membership; requiring appointments by a certain date;  
13 providing for meetings, a quorum, vacancies and  
14 staffing; providing for travel reimbursement; making  
15 reimbursement contingent upon funding; requiring the  
16 Council to comply with certain Acts; specifying  
17 duties; authorizing the Council to apply for and use  
18 certain funds; providing for codification; and  
19 declaring an emergency.

20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

21 SECTION 1. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 18-409 of Title 2, unless there  
23 is created a duplication in numbering, reads as follows:

24 This act shall be known and may be cited as the "Oklahoma Woody  
Biomass Energy Initiative Act of 2011".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 18-410 of Title 2, unless there  
is created a duplication in numbering, reads as follows:

1 A. The Legislature makes the following findings:

2 1. That Oklahoma has an abundance of biomass which is defined  
3 as organic matter including but not limited to all species of trees,  
4 specifically pines, plantation-farmed trees, and cedars,  
5 agricultural crops, switch grass and other living plant materials;

6 2. That for purposes of the Oklahoma Woody Biomass Energy  
7 Initiative Act of 2011, "woody biomass" means a material derived  
8 from trees, shrubs, bushes, grasses including switch grass or  
9 products made from woody plants, that can accumulate to an amount  
10 that is a hazard or a disposal problem upon state lands and private  
11 property;

12 3. That the Eastern Red Cedar tree is considered an invasive  
13 species costing the state an average of Four Hundred Twelve Million  
14 Dollars (\$412,000,000.00) annually in loss of water, grazing lands  
15 and wildlife habitat, fire loss and allergic illness;

16 4. As a result of the provisions of the Eastern Red Cedar  
17 Registry Board Act, the Eastern Red Cedar Trees will be cleared from  
18 state and private land and will be a source of woody biomass;

19 5. That woody biomass is a renewable energy source which can be  
20 used to diversify the energy portfolio of the state when converted  
21 to fuel known as biofuel;

22 6. Based on a per million British Thermal Unit (BTU) by fuel  
23 type, the rates for biofuel from woody biomass averaged in 2010 Two  
24 Dollars and fifty cents (\$2.50) for wood chips with forty percent

1 (40%) moisture as compared with electricity which averaged Sixteen  
2 Dollars and fifty cents (\$16.50);

3 7. In order for biofuel projects to be successful, there must  
4 be a sustainable supply of woody biomass, which in Oklahoma has been  
5 proved based on the estimates for Eastern Red Cedar from inventory  
6 analysis, assuming a fifty percent (50%) availability at all times,  
7 of approximately Nine Hundred Sixty Five Billion (965,000,000,000)  
8 BTUs available. However, at the current rate of reproduction it is  
9 estimated that Eastern Red Cedar will be at one hundred percent  
10 (100%) sustainability and plantation trees, switch grass, and other  
11 farmed biomass will also remain at a rate of one-hundred-percent  
12 sustainability;

13 8. That harvested woody biomass can be produced for use as  
14 chips, pellets and other forms at twenty-percent moisture content  
15 which has energy values higher than all traditional fuel sources,  
16 with cedar having a considerable higher BTU value;

17 9. That nearly every state in the United States now has some  
18 type of public woody biomass project operating in either pilot  
19 project or full functioning form, with most focusing on the use of  
20 woody biomass as an economical energy resource or as a means to  
21 reduce energy costs for public facilities and state agencies; and

22 10. That in Oklahoma woody biomass could be used to reduce  
23 energy costs for public facilities such as the state correctional  
24 facilities, where in FY-09 the cost to provide energy to power the

1 | seventeen facilities in the prison system using natural gas and  
2 | electricity cost the taxpayers Eight Million Two Hundred Nineteen  
3 | Thousand Seven Hundred Five Dollars (\$8,219,705.00). The Department  
4 | of Corrections paid these high energy costs while at the same time  
5 | employees at the correctional facilities were forced to undergo  
6 | furloughs and staffing reductions.

7 |       B. There is hereby created to continue until July 1, 2017, in  
8 | accordance with the provisions of the Oklahoma Sunset Law, the Woody  
9 | Biomass Energy Initiative Council.

10 |       C. The Council shall be composed of members as follows:

11 |       1. A member of the House of Representatives, appointed by the  
12 | Speaker of the House of Representatives;

13 |       2. A member of the State Senate, appointed by the President Pro  
14 | Tempore of the State Senate;

15 |       3. Three members of the Eastern Red Cedar Registry Board  
16 | created in Section 18-403 of Title 2 of the Oklahoma Statutes,  
17 | appointed by the Governor;

18 |       4. Three members of the auxiliary group appointed by the  
19 | Eastern Red Cedar Registry Board pursuant to Section 18-403 of Title  
20 | 2 of the Oklahoma Statutes, appointed by the Governor;

21 |       5. Two members who are engaged in the business of manufacturing  
22 | or selling biofuel furnaces, one member to be appointed by the  
23 | Speaker of the House of Representatives and one member to be  
24 | appointed by the President Pro Tempore of the State Senate;

1       6. The Executive Director of the Department of Environmental  
2 Quality, or designee;

3       7. An employee in the Forestry Services Division of the  
4 Oklahoma Department of Agriculture, Food, and Forestry appointed by  
5 the Commissioner of Agriculture;

6       8. The Director of the Department of Corrections, or designee;

7       9. The Director of the Oklahoma Department of Commerce, or  
8 designee;

9       10. A member of the Corporation Commission, or designee;

10       11. The Executive Director of the Oklahoma Conservation  
11 Commission, or designee;

12       12. A member appointed by and representing the Natural  
13 Resources Conservation Service of the United States Department of  
14 Agriculture;

15       13. A member appointed by and representing the United States  
16 Environmental Protection Agency; and

17       14. A member appointed by and representing the United States  
18 Department of Energy.

19       D. Appointments to the Council shall be made by July 31, 2011.

20 Meetings of the Council shall be held at least quarterly at the call  
21 of the chair. Members shall serve at the pleasure of their

22 appointing authorities. A majority of the members of the Council

23 shall constitute a quorum to transact business, but no vacancy shall

24 impair the right of the remaining members to exercise all of the

1 powers of the Council. A vacancy on the Council shall be filled by  
2 the original appointing authority. The Oklahoma Department of  
3 Agriculture, Food, and Forestry shall provide staff, support and  
4 information as requested by the Council.

5 E. Members of the Council shall receive no compensation for  
6 serving on the Council, but contingent upon the availability of  
7 funding, shall receive travel reimbursement as follows:

8 1. State employees who are members of the Council shall be  
9 reimbursed for travel expenses incurred in the performance of their  
10 duties by their respective agencies in accordance with the State  
11 Travel Reimbursement Act;

12 2. Legislative members shall be reimbursed in accordance with  
13 Section 456 of Title 74 of the Oklahoma Statutes; and

14 3. All other members of the Council shall be reimbursed by the  
15 Oklahoma Department of Agriculture, Food, and Forestry for travel  
16 expenses incurred in the performance of their duties in accordance  
17 with the State Travel Reimbursement Act.

18 F. The Council shall act in accordance with the provisions of  
19 the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

20 G. The Council shall:

21 1. Develop an Oklahoma Renewable Woody Biomass Energy Usage  
22 Plan which will:

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- a. include appropriate harvesting and fuel burning techniques that are in compliance with any laws governing the burning of biomass,
- b. take into consideration all environmental quality and energy standards,
- c. include a funding plan for utilization,
- d. identify state lands where biomass resources are in need of harvesting, and
- e. identify available private resources to implement the plan, including resources for implementing the duties of the Eastern Red Cedar Registry Board;

2. Investigate the feasibility of constructing and installing woody biomass furnaces in correctional facilities operated by the Department of Corrections, public schools, and other state agencies, which furnaces can use woody biomass harvested exclusively within Oklahoma from state and private lands;

3. Investigate the feasibility of using woody biomass for the purpose of cogeneration or gasification methods, as well as other emerging applications; and

4. Make recommendation to the Legislature and the Governor on the findings of the Council.

H. The Council is hereby authorized to make application for, seek and utilize any funds received including, but not limited to, any state or federal funds, grants including renewable energy grants

1 available through the United State Department of Energy and the  
2 United State Department of Agriculture, or private donations.

3 SECTION 3. It being immediately necessary for the preservation  
4 of the public peace, health and safety, an emergency is hereby  
5 declared to exist, by reason whereof this act shall take effect and  
6 be in full force from and after its passage and approval.

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