



May 20, 2025

Representative Kathleen James
Chair, House Committee on Energy and Digital Infrastructure

Dear Chair James,

Thank you for the opportunity to testify to the Ryegate language in H.319. The Vermont Forest Products Association (VFPA) is a Vermont-based non-profit, member organization that represents nearly every sector and subsector of the Vermont forest products industry. Our membership includes individuals and businesses from foresters, loggers and landowners, to sawmill operators, manufacturing facilities, wood processors, and anything in-between.

The VFPA is testifying in support of the language in H.319 to extend the deadline by which the Ryegate powerplant must demonstrate improved efficiency upgrades. It should not come as a surprise that the forest products industry is struggling in Vermont. Each component of the industry matters, and any loss of a single generator, processor, or manufacturer creates acute harm to the forest products industry as a whole. The Ryegate facility is a very important business for Vermont's working forests. It's a facility that provides a market for low-grade wood, and there are very few of those left in the state of Vermont and regionally.

Low-grade markets are the backbone of sustainable, profitable, and responsible forestry. Most forest management includes cutting some high-grade logs, but the vast majority of the wood that gets cut is low-grade material – trees that are smaller, poorly formed or defected, undesirable species, or diseased. Approximately 80% of the volume of wood coming out of a forest management project is low-grade wood and having a market for that wood is very important. Without a market for low-grade wood, these trees might be left standing, leading to overcrowded forests, increased wildfire risk, slower growth of healthy and valuable trees, and greater pest and disease vulnerability. It can also lead to "high-grading," which is the unethical and shortsighted practice of harvesting only those high-grade logs that fetch the highest price, but leave forests vulnerable and unhealthy.

Historically, markets such as pulp and paper mills, biomass energy plants, and low-value wood products helped create demand for low-grade wood. In recent years, however, many of these facilities have closed or reduced operations, leading to a market vacuum. The decline has left landowners and loggers with few options, threatening the economic sustainability of forest management and the health of the region's woodlands. Without the Ryegate powerplant as a market for the lowest of low-grade wood in Vermont, there are few alternative markets, many of which exist out of state, forcing loggers and truckers to deliver materials greater distances for less revenue, and a bigger carbon footprint.

In conclusion, the VFPA urges the Vermont legislature to support the 1-year extension of the Ryegate power plant's efficiency upgrade requirements that are being considered in H.319. Unless and until alternative markets are created in Vermont for low-grade top and limb materials, the VFPA will continue to support the continued operation of the Ryegate powerplant.

Respectfully submitted,

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