

July 5, 2017

The Honorable Charles Schumer
U.S. Senate
322 Hart Senate Office Building
Washington DC 20510

Dear Senator Schumer:

The undersigned representatives of New York businesses and organizations respectfully request your co-sponsorship of S. 1480, the Biomass Thermal Utilization Act of 2017. We invite you to support this legislation to help reduce American dependence on foreign fossil energy, lower greenhouse gas emissions, create jobs, and stimulate local economic development in New York.

Introduced in the Senate by Senator Angus King, Senator Susan Collins, and Senator Jeanne Shaheen, the bi-partisan "BTU Act" extends to high efficiency, clean wood heating systems the investment tax credits that currently exist for every other renewable energy technology. Legislation similar to S.1480 has been introduced every session of Congress since 2007 in an effort to address this omission from the 2005 Energy Policy Act, which codified investment tax credit for renewable energy technologies under sections 25D and 48 of the IRS Code.

Specifically, the BTU Act provides for a 30% investment credit against installed capital cost for residential installations (IRC section 25D), and a 15% or 30% credit against installed capital cost for business installations, depending on level of efficiency met by the system (IRC section 48).

Federal renewable energy investment tax credits expired at the end of 2016, with the exception of solar which was reauthorized in the Omnibus appropriations bill at the end of 2016. We are hopeful that the current emphasis on comprehensive tax reform will allow for consideration of this legislation. For biomass thermal to get just consideration, we must demonstrate strong support for the BTU Act. Your co-sponsorship will send a powerful signal that advanced wood heating technology, such as that embraced by Governor Cuomo's **Renewable Heat NY initiative**, is worthy of federal recognition in the tax code.

Harnessing the potential of biomass thermal energy can increase rural economic development, job creation, and energy savings. Modern wood heating systems can provide cost savings of up to 50% (vs. oil or propane) through utilizing fuels that came from our productive forests. The main hurdle that is precluding homeowners and businesses from converting to biomass thermal systems is the upfront capital costs of conversion. By granting a modest investment credit, Congress can break down that barrier and accelerate the deployment of the advanced wood heating technologies in our heavily oil dependent state.

We ask your support for this legislation that would be good for New York. We respectfully request that you inform us of your intentions regarding co-sponsorship of S. 1480.

Thank you for your consideration.

Sincerely,