

SENATE—Monday, May 10, 1999

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Father, thank You for the gift of hope that is the anchor of our souls. We can ride out the storms of life knowing our anchor of hope is sure. How good it is to begin the work of a new week with this vibrant quality of expectation. Our hope is held fast in Your promises. You do not send trouble, but You do work out Your plans for us in spite of the difficulties we face. Our confidence is that You have chosen us to do Your work. We choose to be chosen. We claim Your promise to provide us with exactly what we need in every challenge, complexity, or conflict. We commit ourselves and our work to You.

Bless the Senators with an acute awareness of Your presence, an availability to respond to Your guidance, and an accountability to You alone for how they will exercise the authority You have entrusted to them. Dear God, we report in for duty. And now we join with the whole Senate family in expressing gratitude for the life and leadership of Senator JOE BIDEN as he celebrates 10,000 votes as a Senator. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Maine is recognized. Ms. COLLINS. I thank the Chair.

SCHEDULE

Ms. COLLINS. Today the Senate will be in a period of morning business until 2 p.m. There will be no rollcall votes during today's session of the Senate. Under the previous order, the Senate will begin consideration of S. 254, the juvenile justice bill, at 9:30 a.m. tomorrow. It is hoped significant progress will be made on that bill, and therefore Senators should expect votes after 2:15 p.m. during Tuesday's session of the Senate. I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ROBERTS). Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a

period for the transaction of morning business not to extend beyond the hour of 2 p.m. with the time equally divided between the majority leader or his designee and the minority leader or his designee, with Senator COLLINS permitted to speak therein for not to exceed 15 minutes utilizing the majority time.

The distinguished Senator is recognized.

Ms. COLLINS. I thank the Chair.

BIOMASS ENERGY EQUITY ACT

Ms. COLLINS. Mr. President, last Thursday, I introduced the Biomass Energy Equity Act of 1999. I was pleased to be joined by Senator BOXER, my colleague from California, as an original cosponsor. This legislation makes a common-sense change to the renewable energy production tax credit by expanding it to include additional types of biomass plants. I would like to take a few minutes now to discuss the need for this important bill and to describe what it would do.

Simply put, biomass energy production uses combustion to turn wood and organic waste into energy in an environmentally sound process. Biomass takes a public liability, organic waste, and converts it into a public asset, energy.

The renewable energy production tax credit enacted in 1992 provides incentives to the solid-fuel biomass and wind energy industry to develop economically viable and environmentally responsible renewable sources of electricity. In enacting that legislation, Congress recognized that biomass energy offers substantial environmental benefits, specifically a reduced dependence on oil and coal, a desirable alternative to open field burnings and the landfilling of organic material, and a net reduction of greenhouse gas emissions.

Unfortunately, an error was made that nullified the potential societal benefits that incentives for biomass energy production offers. The 1992 act narrowly defined an eligible biomass facility as including only so-called closed-loop biomass facilities. Closed-loop biomass is a hypothetical form of electricity generation where the fuel is planted, grown, and harvested specifically and solely for the fuel of the power plant. Not only does this definition rule out the significant environmental benefit of disposal of organic waste otherwise destined for a landfill or to be field-burned, but also this scenario is not feasible and therefore remains unused. Since the biomass tax

credit was passed, no taxpayer, not one, has taken advantage of the tax benefit. Simply put, the closed-loop tax credit is not a sufficient incentive to develop a costly "fuel plantation," which entails large-scale land purchases, property taxes, and growing material for the sole purpose of burning it. By demanding that newly grown material be used rather than organic waste, the closed-loop biomass definition flies in the face of the commonly accepted environmental principle that products should be put to as many "highest value" uses as possible.

Mr. President, several states, including Maine, are deregulating their energy industries. Starting March 1, 2000, electricity consumers in Maine will be able to shop for electricity as they now shop for long-distance telephone service.

While the specifics remain very much up in the air, the country is progressing toward restructuring electricity generation and distribution. While there are many clear economic benefits to a deregulated energy market, without incentives like the one I am proposing, green, renewable energy production like biomass is unlikely to be able to survive in deregulated market.

The legislation that I have introduced would expand the eligibility of the biomass tax credit to include conventional biomass plants. This legislation is designed to encourage a source of energy generation that offers substantial air quality, waste management, and greenhouse gas reduction benefits. The national biomass industry currently uses over 22,000,000 tons of wood waste a year. The waste the biomass industry converts into energy otherwise would be disposed of in one of three ways: burned in an open field, which generates pollution not energy; landfilled, where it fills limited landfill space and biodegrades, emitting methane, carbon dioxide, and other gases, or left in the woods or fields, increasing the risk and severity of forest fires.

The air quality benefits of biomass energy are of particular importance. According to the Northeast States for Coordinated Air Use Management, an organization of all the Northeastern States Air Quality Bureaus, biomass energy produces less nitrogen oxide than biomass alternatives, and furthermore, it generates virtually no sulfur dioxide, particulate matter, or mercury. Biomass energy production also results in a net reduction of greenhouse gases, as I have previously stated.

In addition to their environmental benefits, biomass plants contribute to