Comments on Draft Biomass Action Plan

June 18, 2021

Thank you for the opportunity to comment on Ontario’s Draft Forest Biomass Action Plan (ERO # 019-3514 Notice type - Policy, Posted byMinistry of Natural Resources and Forestry)

The respondents agree that there is a need for action to generate jobs and improve forest management. Overall we found that the draft action plan was in need of more specific actions that will be directed at specific policy areas of biomass. These are as follows:

Overview comments:

1. Provide local incentives to use biomass.
   1. Companies in central Ontario need specific Biofibre “actions” to deal with a different forest type and smaller company size.
   2. Fund merchandising areas to provide more effective product sorting and direction between operators and between different SFLs is appropriate.
2. Fix pricing / scaling to reflect the actual market conditions.
   1. CUrrently biofibre is not a viable market because of distorted prices for low end fibre.
   2. Cross province pricing is not realistic given local supply variability.
   3. Ensure that all loads going to biomass facilities are charged at a low rate.
   4. Biomass fibre should be charged at zero currently, given a negligible market.
3. Incentives should be directed to the forest sector specifically.
   1. Provincial government grants directed to supporting the establishment of new businesses or business growth, (such as but not only NOHFC), should have a forest sector funding stream (vs those requests being considered amongst the mix of all other business sector requests) .
4. Current tenure constraints are systemic problems that need to be addressed before any actions will be successful.
   1. Loosen commitment and facility license constraint to allow new entrants (as per Tenure Modernization Act 2010).

Tom Clark

Very nice overview of biofibre for the first

The five constraints that you identify are:

1. **entering the commercial marketplace**
2. cost of biomass
3. **cost and timeliness of regulatory approvals**
4. lack of financing
5. **Unreliable quantity of biomass[[1]](#footnote-0)**

Entries 1, 3 and 5 are directly related to the constraints of Ontario’s tenure system. The background explanation of these problem are widely available and should be in the MNRF library under “tenure reform” I will not expand here.

Entries 2 and 4 are indirectly related to tenure because they are constraints caused by lack of volume which comes from the other three constraints.

**In short, given the failure of previous programs see below,**

**Action: Cancel all wood commitments that are not used within 3 years.** Allow two year grandfather clause for current commitments.

**Action: Report on the progress of the Biomass Spatial Analysis Tool 2005** (MNR, FERIC, ULERN, BIOCAP< Tembec, Grant FP, and Temple Inland) and provide audit of the use of funds for that project

**Action: Report on the progress of Biomass Investment Options Support program, 2005** (MNR, FERIC, ULERN, BIOCAP< Tembec, Grant FP, and Temple Inland) and provide an audit of the use of funds for that project

Overview

The first

This Action Plan is short on specific actions especially for small and

“To enable new uses for forest biomass the province must begin to lay the groundwork for commercialization of new bioproducts to be ready for future opportunities as they emerge.”

Large companies, such as northern pulp and paper producers have been given assistance over the years and decades to assist with low end fibre use. For example Resolute benefited froma large grant to build a cogen facility at their Thunder Bay facility.

Other comments

Action Plan is a strategy document since there are few deliverables and all are of a general nature.

“The forest sector is a leader in the emerging green economy.” This is getting tired, as the forest strategy was written by a small group of industry insiders. Even long standing supporters of the industry were sidelined. Unfortunately this means the strategy and this biofibre offshoot have little undertadnign from the public.

Action dates more than 2 years from now are moot. These should be removed or moved up. They are strategies not actions.

1. Rancourt, Y., C. Neumeyer and N. Zou. 2017. Results of the Bioproducts Production and Development Survey 2015. Statistics Canada. <<https://www150.statcan.gc.ca/n1/pub/18-001-x/18-001-x2017001-eng.htm>> confirmed June 18, 2021 [↑](#footnote-ref-0)