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Energy cost savings and the use of renewable energy are fundamental energy management objectives of pulp, paper, packaging, tissue and wood products manufacturers. The industry is a leader in the generation and use of renewable energy and highly-efficient combined heat and power (CHP), or cogeneration technology.

- Pulp, paper, packaging and wood products facilities account for 62 percent of the renewable biomass energy consumed by all manufacturing sector facilities.
- Pulp, paper, packaging and wood products mills produce 33 percent of the CHP electricity generated by manufacturing facilities. In fact, 97.6 percent of electricity produced by the industry is CHP-generated.

Purchased energy is a major manufacturing cost for the forest and paper industry even though the industry is the largest manufacturing sector producer and user of renewable biomass energy.

- AF&PA supports policies that
 - Reduce the cost of energy and thereby enhance the industry's competitiveness by encouraging fuel diversity, increasing access to supplies both on and offshore, investing in breakthrough technologies, and promoting conservation.
 - Encourage power generation from highly-efficient energy sources, such as CHP facilities.
 - Fairly compensate demand response resources, which are a cost-effective way to reduce electricity demand, thereby reducing costs for all rate payers.
- Greenhouse gas regulation could increase energy costs and decrease the reliability of the electric system. AF&PA supports the litigation effort to overturn the regulations.
- As the nation confronts the challenge of upgrading its electrical transmission infrastructure, care must be taken to ensure that upgrades are based on sound economic analysis and that their costs are paid for in a fair and equitable manner.



2020 Goal:

At least a 10 percent increase in members' purchased energy efficiency.

AF&PA members improved their purchased energy efficiency by 8.1 percent between 2005 and 2014.

While the industry is a leader in the use of renewable biomass for energy, it is also concerned about the new demands being imposed on the resource from market-distorting government mandates and incentives. When government policies increase demand for forest-based renewable energy, they should be coupled with policies to increase biomass supply.