

Appalachian Hardwood Manufacturers Inc. Answers Call For Environmental Demands

By Tom Inman

Forest and lumber product certification is a complex issue, but Appalachian Hardwood Manufacturers Inc. (AHMI) has simplified a system that focuses on the sustainability of the trees and ownership of the materials.

The regional trade association of forestland owners, sawmills and distributors developed Certified Appalachian Legal & Sustainable in 2018 as the second phase of an environmental messaging strategy. It follows the successful Appalachian Hardwood Verified Sustainable and Appalachian Hardwood Verified Legal programs that began in 2007 and 2012, respectively.

All are based on the United States Forestry Service's (USFS) Forest Inventory Analysis (FIA), which details the growth, mortality and harvest of trees across the United States. In 2007, AHMI asked USFS researchers to develop a matrix for the 344 counties in the Appalachian region. The results were published in the U.S. Department of Agriculture's SRS-142 "Status of Hardwood Forest Resources in the Appalachian Region."

The research found the growth-to-removal ratio for the Appalachian region was 2.4 to 1, which far exceeds sustainability. This analysis "verified" the sustainability of the hardwood resource in the AHMI boundary. It was updated in 2012 to show the ratio had improved to 2.5 to 1.

The Verified Sustainable program was available to all sawmills and distribution yards that sourced material from the region. The response from lumber buyers and consumers was positive because many wanted the assurance that their purchases were from forests that were growing more than was harvested or dying combined.

The majority of AHMI members enrolled and received paperwork and other materials they could share with customers. The success of this program and growing concerns internationally about illegal timber led to demands for documents to "verify" the legality of the Appalachian hardwood resource.

In 2012, the AHMI Board of Trustees approved the Verified Legal program, which



required participants to select the counties of harvest in the region and receive signed documents from landowners and loggers stating ownership of the resource that was sold.

These two programs were the solution for many companies that needed documents to provide to customers. Both programs are still active today and are meeting the needs of the industry.

While the program was designed for grade lumber products, the pressures of sustainability and legal sourcing have moved into industrial materials like ties, mats and pallets. End users of these products are asking more questions about the resource.

They are also asking for proof from outside sources like associations, environmental groups and other non-profits. The AHMI programs were accepted by most.

There were questions, however, from a minority of buyers that the "Verified" programs were not thorough enough. In response, AHMI's Board developed additional standards that were applied to procurement and production and signed by company leaders. These documents and new procurement forms from suppliers are submitted to a third-party auditor to ensure the company is meeting the standards. Certified Appalachian was born in 2018, and dozens of AHMI members are enrolled. A North Carolina-based auditing firm provides confirmation that each approved company meets the standards for sustainability and legality as defined by AHMI.

These participants have certificates from the auditor to provide to customers for each load of hardwood lumber or materials that are sold. These companies report wide acceptance of the program from buyers and consumers who again want a third-party audited program proving the sustainability of the hardwood resource and its legal harvest.

The program focuses on the forest, the trees and the lumber products and not issues that have little to do with sustainability. Manufacturers of furniture, cabinets, flooring and now more industrial materials are seeking just that—an assurance their products are sourced from forests that are regenerating and were harvested using best management practices and followed local, state and federal laws.

In 2019, a new national initiative on environmental, social and governance (ESG) policies targeted publicly traded companies. The concept has grown in the investment world with banks and stockholders asking new questions.

These non-financial factors are being applied to measure an investment or company's sustainability by analyzing the conservation of the natural world, social factors examining how a company treats people both inside and outside the company, and governance factors considering how a company is run.

Stakeholders in ESG are not just the investment community but also customers, suppliers and employees. All of them are increasingly interested in how sustainable an organization's operations are. ►

The “E” (environmental) criteria refer to an organization’s environmental impact(s) and risk management practices. These include direct and indirect greenhouse gas emissions, stewardship over natural resources, and the company’s “overall resiliency against physical climate risks like climate change, flooding and fires,” according to one study.

AHMI’s programs address the stewardship and management of the resource. Certified Appalachian guarantees the company is

- A legal entity in the United States and adheres to the rule of law;

- Sources from the 344-county AHMI;
- Has “Procurement Verification” forms from all suppliers proving legal transfer of ownership of the resource; and
- A member of good standing in AHMI.

The documents help tick the boxes for environmental questions. Testimonials from AHMI members explaining the program and their involvement are available on YouTube by searching for Appalachian Hardwood. They are also linked from www.appalachianhardwood.org.

The demands from customers are continuing to grow and take time and resources from companies. Associations like AHMI

and the Railway Tie Association are meeting these needs.

Email info@appalachianhardwood.org for more information about these programs and other offerings from AHMI. ■



Tom Inman is president of Appalachian Hardwood Manufacturers Inc., a regional trade association headquartered in High Point, N.C. The group is composed of 200 member companies and was formed in 1928 to promote the Appalachian hardwood resource and ensure a future supply.

More info: appalachianhardwood.org

Railway Tie Advocates Meet With EPA Officials On Tie Fuel Use Rule

By Jeff Miller

In 2016 and 2018, the U.S. Environmental Protection Agency (EPA) promulgated amendments to the Non-Hazardous Secondary Materials (NHSM) rule regulating the use of end-of-life railroad ties as fuel in certain boilers. Those rules allowed the fuel use of creosote, copper naphthenate and borate-treated ties but only in limited types of boilers and, in some cases, under conflicting requirements.

In late 2018, a coalition of railroad tie advocates including the American Forest & Paper Association (AF&PA), American Short Line & Regional Railroad Association (ASLRRRA), American Wood Council (AWC), Treated Wood Council (TWC) and Association of American Railroads (AAR) filed a petition with EPA, seeking changes to the NHSM rule.

After many meetings and discussions with the agency and with the complexities of a new Administration, on Jan. 28, EPA published its proposed response to deny the requested amendments in the petition. The petitioners submitted written comments on March 29 and met with EPA officials on June 21.

The senior EPA official, Andy Crossland, opened the meeting. After introductions and expressions of appreciation for the meeting, I gave a general statement that it is the petitioners’ goal to have every eligible tie used as fuel. The coalition felt that the goal matches closely with EPA and Administra-



tion’s goals. He then led the participants through a series of EPA and Administration priorities that are undermined by the rule’s current requirements.

Crossland reported that the priorities involve reducing waste and greenhouse gases, including methane; reducing dependence on fossil fuels; and increasing reliance on renewable energy. Crossland noted that the annual removal of 20 million rail ties that could be used as fuel is the equivalent in annual greenhouse gas emissions of 350,000 cars. Further, the offset in terms of fossil fuel greenhouse gas amounts to the equivalent of 280,000 cars per year. He cited EPA’s statements about the importance of reducing methane emissions in both the United States and internationally and the fact that EPA has identified landfills as a major source of methane emissions; if ties cannot be used as fuel, most will go to landfills, exacerbating the methane emissions problem.

I continued by comparing the energy

savings in terms of greenhouse gases to the equivalent of the annual energy needs of Gainesville, Fla., and noted that if diverted to landfills, the 20 million rail ties per year were equivalent to the waste generated annually by the city of Houston. The group brought up the illustration of the volume of 20 million rail ties, if discarded, as the equivalent of a football field 58 stories high. EPA was reminded of its own waste hierarchy, which favors reuse and recovery of materials over disposal and waste.

Jo Strang, Sarah Yurasko and Sean Strong of ASLRRRA pointed out that 603 railroads that generate used ties are small businesses and that the definition of small business encompasses all Class 2 and 3 railroads. Strang pointed out that more than 100 railroads have fewer than 10 employees. Strang, Yurasko and Strong emphasized the very high burden the current rule places on small railroads, particularly as a result of the one-year storage time limit, which presents major

coordination and feasibility challenges for the smaller railroads.

Tabby Zeb, assistant chief counsel for the Small Business Administration's Office of Advocacy, stated that her office filed a strong comment with EPA expressing concern with the adverse impact of the rule on small businesses. She reinforced EPA's acknowledgment in the proposed rule's preamble of the importance of reducing greenhouse gases and methane but stated that the proposed rule "does not match up" with the benefits of using ties as fuel.

Tim Hunt of AF&PA and AWC emphasized that the use of ties, a form of bioenergy, is consistent with EPA's priorities, but pointed out that parts of the rule, such as the 2014 time limit on boiler units eligible to combust ties as fuel, are contrary to goals of greater efficiency that can be achieved by replacing older boiler units with more modern boiler units. The "designed to burn" restrictions in the rule are undermining EPA's priorities directed to using less fossil fuel and forcing mills to "lose ground" in replacing fossil fuels with carbon neutral fuels. Jane Luxton, TWC regulatory counsel, noted that this restriction on boiler age has no logical connection to the legal test of whether a material is discarded, the required criterion under RCRA.

I pointed out that EPA's rule will force

construction of more landfills, which will inevitably be built in environmental justice burdened communities, contrary to another high priority EPA and Administration goal.

We summarized the objectives that the NHSM coalition is seeking:

1. Align the non-hazardous secondary materials rule with the court-ordered definition of solid waste and "discard" of hazardous waste, as both rules depend on the exact same definition in RCRA. Luxton pointed out that this alignment did not mean EPA could not consider a contaminant comparison criterion altogether but said that it would need to be changed to a nonmandatory factor, as directed by the DC Circuit in the API III decision.
2. Eliminate the "designed to burn" requirement to the extent it is defined as requiring a boiler unit to have been originally designed to burn fuel oil and biomass or reconfigured to physically have a nozzle that would allow fuel oil to be added to the burner unit.
3. Eliminate the one-year storage limit for used rail ties.
4. Eliminate the 40 percent cap on the annual amount of railroad ties that could be combusted as fuel for a boiler unit. It was pointed out that there is no documented basis for this number, and that it

is arbitrary and an improper limit.

5. Eliminate the 2014 cutoff date for determining whether a boiler unit meets the "designed to burn" fuel oil and biomass.

EPA's Tracy Atagi asked the source of the coalition's concern about the one-year storage limit on rail ties, saying it is "only" in the rule's preamble, not its actual wording. It was unclear whether she intended to suggest that something in an EPA rule's preamble could be ignored, but Luxton pointed out that at a minimum the uncertainty surrounding this EPA statement has caused difficulties to stakeholders' intent on full compliance with the rule. Strang noted the major recordkeeping difficulties in trying to track when a rail tie has been removed from service to ensure it is not stored more than a year.

At the meeting's end, EPA's Crossland thanked the group and reiterated that the EPA team had listened carefully to all the points raised. In terms of the agency's timing, it continues to be likely that the final rule will be promulgated in late spring 2023. ■

Jeff Miller is executive director of the Treated Wood Council, which serves all segments of the treated wood industry in the field of government affairs.

More info: treated-wood.org

The Hardwood Products Industry Is In Good Hands

By Dallin Brooks

I was recently at a conference in Europe where an attendee asked me why American infrastructure still relies on wooden rail ties, saying proudly, that "Europeans have gone beyond that."

At a different event, years ago, I remember someone mocking the preserved wood industry. As he described it, "cutting down a tree, stripping off its arms, infusing it in tar and [connecting it with metal] is the most environmentally sensitive and durable part of our ... infrastructure."

These speakers thought that they knew better than centuries worth of experience. They were envisioning the unrealistic future portrayed in movies, where resource extraction isn't done on earth and plot development doesn't have time to cover

forestry practices. Material resources must be extracted and transported somehow. Hence, the hardwood tie industry is going to last long into the 21st century and I dare say into the 22nd and 23rd centuries, if not indefinitely.

Resources cost money to extract. And while recycling is a great way to reduce the amount of extraction, it does not eliminate the need to extract. It will always be cheaper, easier and sustainable to extract renewable resources than nonrenewable, even if they can come from the moon. Thus, the hardwood products industry is in good hands for the future even if it might not be shown in the movies.

Perhaps we can even surprise ourselves with new hardwood innovation. After all,

the first boat, plane, train and other great inventions used hardwoods. Why not do it again in the future? ■



Dallin Brooks is executive director of the National Hardwood Lumber Association. NHLA is a membership-based international trade association that is the voice of the hardwood industry, representing the entire hardwood supply chain at all levels of production.

More info: nhla.com