



AMERICAN FOREST & PAPER ASSOCIATION
Office of the President

March 12, 2009

The Honorable Steven Chu, Ph.D.
Secretary
Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Secretary Chu:

As you know, the American Recovery and Reinvestment Act provides \$3.2 billion for Energy Efficiency and Conservation Block Grants for implementation of programs authorized under Subtitle E of Title V of the Energy Independence and Security Act of 2007 (EISA) (42 U.S.C. 17151 et seq.). On behalf of the American Forest & Paper Association (AF&PA), I am writing to urge your department to ensure that a portion of the funding be utilized for activities that "increase participation and efficiency rates for material conservation programs, including... recycling," as EISA prescribes.

AF&PA is the national trade association of the forest products industry, representing pulp, paper, packaging, and wood products manufacturers, and forest landowners. Our companies make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for approximately 6 percent of the total U.S. manufacturing GDP, putting it on par with the automotive and plastics industries. Industry companies produce \$200 billion in products annually and employ more than 1 million people earning \$54 billion in annual payroll. The industry is among the top 10 manufacturing sector employers in 48 states.

Recycling is one of the nation's great environmental success stories. Having surpassed the previous goal of recovering 55 percent of all the paper consumed in the U.S.—and doing it five years ahead of schedule—the paper industry has set a new 60 percent recovery goal for 2012. AF&PA's intent is to ensure a continuing, expanding domestic recovered fiber supply to help meet global demand. Paper recycling reuses a renewable resource that sequesters carbon and helps reduce greenhouse gas emissions. Greenhouse gas reductions result from avoided methane emissions and reduce energy required for a number of paper products. In addition, recovering paper extends the fiber supply.

In the wake of our economic downturn, overall paper demand has declined and taken the value of recovered fiber down with it. At a time when many cities are not receiving the same high prices they once received for their recyclables, every effort must be made to preserve the consumer behaviors and recycling infrastructures that

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Page Two

have made our current success possible. Additionally, we must guard against well-meaning but misguided public policies that could compromise the marketplace-efforts that have driven the demand for recovered paper or unintentionally harmed community collection programs. The Energy Efficiency and Conservation Block Grants can support communities in using more energy efficient equipment for collecting and processing recyclables. These could include new or refurbished trucks, bins which enable more efficient collection, and equipment at material recovery facilities to process the collected recyclables. In addition, we believe that Congress intended these resources to be used to support such programs implemented by private entities that work with communities to meet recycling goals.

We look forward to working with you on implementing the American Recovery and Reinvestment Act, and on other important matters. Please do not hesitate to contact us if you have any questions.

Best Regards,

A handwritten signature in black ink that reads "Donna Harman". The signature is written in a cursive, flowing style.

Donna A. Harman
President and Chief Executive Officer