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April 3, 2019

The Honorable Senator Brownie Carson
The Honorable Representative Ralph Tucker
Co-Chairs
The Joint Standing Committee on Environment and Natural Resources
100 State House Station
Augusta, Maine 04333

Re: **LD 401: "An Act to Preserve Landfill Capacity and Promote Recycling"**

Senator Carson, Representative Tucker and members of the Environment and Natural Resources Committee,

Thank you for the opportunity to provide comment on LD 401, "An Act to Preserve Landfill Capacity and Promote Recycling." As currently drafted, LD 401 would eliminate the ability to dispose of residuals generated from the processing of out-of-state waste at the State-Owned Juniper Ridge Landfill (JRL) and eliminate the ability to credit construction and demolition debris (CDD) residuals beneficially used at JRL for daily cover towards the State's recycling goals. These two provisions were key elements of ReEnergy's decision to acquire the Lewiston facility from KTI Bio-Fuels, Inc., a subsidiary of Casella Waste Systems, in 2013, and the loss of these provisions would result in closure of the Lewiston facility.

As previously shared with the Committee, ReEnergy owns and operates the State's largest CDD processing facility, the ReEnergy Lewiston facility in the City of Lewiston, which recovers approximately 75 percent of the material that it processes into recyclables and beneficial use material. Much of the material that ReEnergy Lewiston recovers is used as a high-quality fuel to generate renewable energy, in the manufacture of particleboard, as alternate daily cover (ADC) at the state-owned Juniper Ridge Landfill (JRL), and as other recyclables such as ferrous and non-ferrous metals and asphalt, brick and concrete (ABC). ReEnergy Lewiston's mission is to support the state's solid waste goals by maximizing the recycling and beneficial reuse of CDD through the use of technology and by minimizing landfilling.

The ReEnergy Lewiston facility employs up to 45 individuals. The facility accepts material from local businesses and the general public; offers free disposal of CDD material and oversize bulky waste (OBW) to the City of Lewiston; and makes lease and tax payments to the City. The direct benefit to the City is approximately \$275,000 annually, not accounting for the facility's indirect support, including employment and charitable support of community events and projects. In addition, fees paid for materials beneficially used and/or disposed at JRL contribute more than \$400,000 to the Maine Department of Environmental Protection's (Department) Waste Management Fund.

Below is a partial list of the practical consequences of LD 401 if it were to pass, specifically as it pertains to the ReEnergy Lewiston facility:

1. The closure of the ReEnergy Lewiston CDD recycling facility and the loss of up to 45 direct jobs and a significant number of indirect jobs, particularly in the trucking industry.

2. The loss of approximately \$275,000 annually to the City of Lewiston, resulting in a significant and unanticipated budget shortfall.
3. The loss of approximately \$400,000 of fees currently paid to the DEP Waste Management Fund for use of CDD fines at JRL for daily cover and shaping and grading, and disposal of OBW.
4. The need for existing ReEnergy Lewiston customers to develop alternate outlets for their CDD, which would likely result in direct landfilling of the material, increasing their costs and subverting the State's solid waste goals by eliminating the ability to recycle up to 75% of the material.
5. The need for JRL to source alternate means of materials for use as daily cover and shaping and grading. Given that other waste materials that can be beneficially used are limited, JRL would likely need to purchase virgin soils at significant expense in comparison to CDD fines, which is a source of revenue.
6. The loss of recycling credits for CDD fines used for cover and shaping and grading, which will lower the State's reported recycling rate and contrary to the solid waste management hierarchy.

Without a viable business in Lewiston, ReEnergy's presence in the State would significantly diminish and the State would lose a valuable partner in its efforts to achieve both short- and long-term solid waste management and recycling goals. Over the last several years, ReEnergy has participated in a number of state-sponsored initiatives including mattress stewardship, OBW reduction and carpet recycling.

We appreciate the opportunity to provide comment on LD 401 and urge the Committee to carefully consider the potential impacts of this legislation on ReEnergy and the City of Lewiston and vote "ought not to pass." As an alternative to LD 401, we suggested at the Committee's March 27th hearing that a Stakeholder Committee be created of industry stakeholders, representatives of the Department and members of this Committee, with the goal of developing legislative and regulatory recommendations that consider the impacts on industry while meeting the State's solid waste management and recycling goals and objectives.

Thank you for your time today and we are happy to answer any questions.

Sincerely,



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Copy to:

Edward Barrett, Lewiston City Administrator
Senator Nate Libby, Senate District 21