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Before the Committee on Environment and Natural Resources Regarding LD 1679 – An Act to Establish the Maine Climate Change Council to Assist Maine to Mitigate, Prepare for and Adapt to Climate Change

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1:00 P.M. – Cross Building – Room 216

Senator Carson, Representative Tucker and members of the Committee on Environment and Natural Resources, my name is Dana Doran and I am the Executive Director of the Professional Logging Contractors of Maine. The Professional Logging Contractors of Maine (PLC) is a trade association that represents logging and trucking contractors throughout the state of Maine. The PLC was formed in 1995 to give independent contractors a voice in a rapidly changing forest industry.

As of 2018, logging and trucking contractors in Maine employed over 4,900 people directly and were indirectly responsible for the creation of an additional 3,300 jobs. This employment and the investments that contractors make contribute over \$900 million to the state's economy annually.

Thank you for providing me with the opportunity to testify in support of LD 1679 – An Act to Establish the Maine Climate Change Council to Assist Maine to Mitigate, Prepare for and Adapt to Climate Change. I would like to thank Governor Mills, Senator Woodsome and the other co-sponsors for their vision and support of this legislation.

Many on this committee might find it odd for a trade association that represents loggers and truckers in the state of Maine, typically a conservative group, to stand in support of this legislation. With that in mind, I can say with great honesty that this perception is not reality when it comes to Maine's logging and trucking community. Over the last twenty years, loggers have become accustomed to wildly changing weather patterns, mud seasons that extend not just weeks but months, and the influence of invasive species and pests in the forest at an all-time high.

Two decades ago, Maine's logging community could work between 46 and 52 weeks a year. Mud season was contained to April and May and employees could count on steady work and more consistent operating conditions. However, that has changed considerably, and now, the expectation is that between 38 and 44 weeks per year is all we can expect for durational work time. It is clear to Maine's legacy industry that climate and weather patterns have indeed changed and this change is adding cost and lower profitability for our membership.

During this same time frame, there has been an adhoc approach to both technology and public policy, at both the state and federal levels, which has attempted to bring about change for the improvement of the climate. While well intended, policy changes with respect to mandates have brought about positive change on one side, but they have also had a dramatic negative impact upon our industry. One primary example of this is in the mandated use of Tier IV

engines by the federal government. While this technology has been positive in terms of curbing emissions, it has negatively impacted our industry by increasing cost on every piece of equipment used in logging and trucking today. The law of unintended consequences has increased the cost of all equipment in the neighborhood of 25-50% over the last ten years. Loggers and truckers have no ability to charge more for the work that they do, thus, this has steadily bled many of them to death. It is our opinion that changes like this can have a positive impact, especially upon our climate, but the consequences must be balanced with the benefits and it is vital for loggers and truckers to have a seat at the table in deliberations that affect our member's businesses so deliberately.

The perspective that the PLC has developed with respect to the balance of climate and economy has its roots (no pun intended) in the wood energy sector. As evidence, in 2010, 3.7 million tons of wood for the energy market were produced from Maine timber harvests, representing 25 percent of all timber volume. By 2016, the harvest of biomass had shrunk to 2.5 million tons, which represents 20 percent of a now smaller statewide harvest compared to 2010. These lost markets have impacted the entire forest industry supply chain but we also believe they have impacted our environment.

In response, the 127th Legislature supported LD 1693, Resolve, Establishing the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry. This blue-ribbon, legislatively appointed Commission was created to study the use of biomass in a thoughtful and meaningful way with the intent to create a long-term roadmap for change.

The commission looked at biomass from a very broad perspective including the environmental, economic and energy costs and benefits to the state. The Commission's report, which was published in late 2016, produced five broad goals and 15 recommendations to encourage long term solutions for Maine. The Commission focused its goals and recommendation on combatting climate change with the use of Maine's forests and achieving greater utilization with higher efficiency.

The work that the Biomass Commission did in 2016 has become a catalyst for implementing sound policy to help diversify the sector and combat climate change since that point in time. It helped renew the Renewable Portfolio Standard (RPS) for five more years in 2017. Thus far this session, two recommendations of the biomass commission have or will become law, LD 375 and LD 1173.

Further, this session, recommendations from the Biomass Commission are motivating legislation related to biofuels (LD 1060), biochemical manufacturing from wood (LD 1698), wood energy investment for thermal efficiency (LD 912) and a major expansion of the RPS (LD 1494) which would expand the use of renewable energy for electric production to 80% of Maine's load.

All of these bills are complementary to the goals of the Governor and the work that this legislation intends to accomplish. The PLC has testified in support of all of these bills this session and hopes that it has a positive impact upon our economy, our environment and our industry.

As I stated previously, it is important to hear from those on the ground who are impacted by climate changes every day. Our membership is not only impacted by it, but cognizant of it and wants to be part of the solution rather than part of the problem. From this perspective, we would hope to be considered for a role in this new council and move our state forward in a positive direction for our climate and our economy, which are not mutually exclusive.

Thank you for the opportunity to provide the opinion of our membership before you today and I urge you to vote ought to pass.