



Testimony of

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Before the Committee on Energy, Utilities and Technology in Opposition to LD 43 – An Act to Reduce the Cost of Electricity by Removing the 100-megawatt Limit on Renewable Resources of Energy and LD 622 - An Act to Create Equal Opportunity Access to Clean Energy by Removing the 100-megawatt Limit on Clean Energy Sources

Tuesday, March 28, 2023

Senator Lawrence, Representative Zeigler and members of the Committee on Energy, Utilities and Technology, 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 the voice of Maine's logging and trucking industry. The PLC was formed in 1995 to represent independent contractors in a rapidly changing forest industry.

As of 2017, logging and trucking contractors in Maine employed over 3,900 people directly and were indirectly responsible for the creation of an additional 5,400 jobs. This employment and the investments that contractors make contributed \$620 million to the state's economy. Our membership, which includes 200 contractor members and an additional 120 associate members, employs over half of the individuals who work in this industry and is also responsible for 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in opposition to both LD 43 – An Act to Reduce the Cost of Electricity by Removing the 100-megawatt Limit on Renewable Resources of Energy and LD 622 - An Act to Create Equal Opportunity Access to Clean Energy by Removing the 100-megawatt Limit on Clean Energy Sources. As was the case with LD 132 in the 127th Legislature, LD 532 in the 128th Legislature and LD 1027 in the 129th Legislature, all of which were heard by this committee and voted ought not to pass, this is a bad bill for the state of Maine and could provide another blow to loggers and truckers in this state at a time when times are challenging enough.

A majority of our membership provides biomass chips to the generators in the State who use wood to create electricity and heat. Those customers include both paper mills, stand-alone wood electric facilities and combined heat and power plants. We have estimated that the wood energy industry in Maine contributes over 400 direct jobs at the plants and at least another 900 indirect jobs, primarily in rural regions of the state. The total impact to the state of Maine annually is roughly \$300 million per year. This total contribution does not quantify

the employment and economic benefit provided by our paper, sawmill or pellet facilities who both produce and consume wood for energy.

LD 43 and LD 622 attempt to remove the 100-megawatt capacity limit for a generator that meets the state and federal requirements applicable to generators that may qualify as a renewable resource under the state of Maine's renewable resource portfolio requirement. The PLC of Maine feels that this change would do nothing to lower the cost of energy in the state and it would only benefit Canadian companies as well as the energy hungry states to the south of us.

Additionally, it would likely create an unfair competitive advantage for one specific generation source over another and it could seriously jeopardize an already wounded industry. The truth is that if Canadian hydro does enter our market here in Maine, it could create friction on the transmission system that would cause ISO New England to request wood energy generators to shut down from time to time and effectively put them out of business.

Wood is renewable, it is cultivated locally in Maine, and it has a significant economic impact upon our state, more so than any other source of energy we have. From the landowners who cultivate it, to the foresters that oversee it, to the loggers who harvest and process it, to the truckers who deliver it, to the generation facilities that utilize it, and the citizens who benefit from the energy it provides; wood for energy is often underappreciated for its holistic and systemic impact. The economic impacts are limitless, and they should be enhanced, rather than adversely impacted by a pipedream.

Thank you for the opportunity to provide the opinion of our membership before you today and I urge you to vote ought not to pass. I would be happy to answer any questions you may have.