

How a Norwegian felon managed to get a white-glove welcome from the State of Maine

Other news: DMR tells Gouldsboro to stand down; SWH residents start recycling



[LINCOLN MILLSTEIN](#)

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SOMESVILLE, April 23, 2022 - The rejection of the salmon farm in Frenchman Bay by the state has folks cheering, but others are asking how the application got as far as it did.

Maine has erected a huge “welcome” sign in flashing neon for aquaculture industries from around the world to come here. But is it equipped to vet them all properly and fully? Are the regulatory resources designed for the volume of activity 30 years ago still suitable for today’s demand?

The state Department of Marine Resources recently pitched the legislature to enact a “special fee” of \$250,000 to handle applications like that of American Aquafarms. It was an admission that such complicated applications were over-taxing its staff. But it was also accompanied with an asterick - to give the commissioner overriding powers. The proposal was rejected.

But the problem remains, as well as the politics, the egos and the power plays.

How does Maine recruit aquaculture businesses and regulate them at the same time?

Maine & Co., a taxpayer-supported chamber of commerce-like non-profit which is the state’s unofficial marketing agency, is Maine’s bright neon beacon for attracting outside investment. It’s the centerpiece of Maine’s efforts to lure

industrial-scale aquaculture companies. Read its [service agreement with the state](#).

“So what we do is we introduce people to resources that they'll be needing. When someone comes here, they're going to need a law firm. They're going to need an accounting firm. They're going to need a bank,” said Maine & Co. President Peter Del Greco in an interview.

Maine & Co. also introduces them to government officials and insiders.

In March 2020, American Aquafarms struck up a relationship with Maine & Co.

Norwegian Mikael Roenes, founder of AA and a convicted felon who spent more than two years in prison in Norway, made his first contact with the state on April 6, 2020, weeks after he began to be coached by Maine & Co.

In a letter to the administrator of the the Pine Tree Development Zone Program, which reduces, or virtually eliminates, state taxes for up to 10 years for businesses that create jobs, Roenes stated he would create 60 jobs paying an average \$55,000.



Mikael Roenes

When they connected, Del Greco had little information about Roenes, except from a few Google and Linked-in searches. That's not what Maine pays Maine & Co. to do. Del Greco's job is to build that waterfall of incoming inquiries, and he does his job well.

So whose job is it that Maine is assured these companies are the sort which will be good corporate citizens?

When a national company comes "with their Boston-based lawyers and bankers, it doesn't always end well," Del Greco said. "So, we'll set it up ... here are four or five different (local) groups that do a good job, and feel free to work with them."

By the fall of 2020, American Aquafarms had engaged the largest law firm in Maine, Bernstein Shur, one of the state's top marine engineering firms, Ransom Consulting, and construction giant Cianbro - all paying members of Maine & Co. and members of its board, a potpourri of the state's blue chip firms. <https://maineco.org/about-us/executive-board-members-of-the-corporation/>

Del Greco said his principal source of revenue is from members who pay to play. They are not just donating to a non-profit.

Maine & Co. stated on its website that it “coordinates in-state site visits with local public and private sector representatives for the purpose of evaluating business location opportunities and addressing technical questions about doing business in Maine.”

Through its well-connected law firm, AA was able to gain access inside the state agencies which regulate aquaculture, access it would have had difficulty getting on its own. Emails obtained through the Freedom of Access Act shows this dynamic.

The first is a Bernstein Shur request to the state director of aquaculture in which the lawyer sought help for site location of the salmon farms from the very regulator who would issue the permit.

From: Mary E. Costigan

Sent: Tuesday, June 16, 2020 4:49 PM

To: Nelson, Marcy

Subject: Norwegian Salmon Farmers Interested in Maine

Hi Marcy:

I have clients from Norway interested in bringing closed-pen finfish aquaculture to Maine. They have looked at a few potential lease locations and

would like to meet with you (virtually) to discuss their technology and to see if you have any insight into the potential sites they are looking at. I have my own insight into a few locations, but it's a little dated (although I do see that the Swansons are still in Blue Hill Bay). They also plan to open a processing facility and hatchery should they obtain a lease, so they are looking to make a significant investment in Maine.

Mary

Nelson forwarded the email to the deputy commissioner of the DMR, Meredith Mendelson, who then wrote to the deputy commissioner of economic development.

From: Mendelson, Meredith

Sent: Wednesday, June 17, 2020 8:59 AM

To: Garland, Denise

Subject: FW: Norwegian Salmon Farmers Interested in Maine

Hi Denise, Just touching base to see if you've heard any rumors of a Norwegian company interested in coming to Maine for marine-based aquaculture?

From: Garland, Denise

Sent: Wednesday, June 17, 2020 9:43 AM

Garland answered:

To: Mendelson, Meredith

Subject: RE: Norwegian Salmon Farmers Interested in Maine

Hi Meredith,

Yes, we are aware of a Norwegian Company who is looking to do "closed pen" ocean aquaculture. I believe they are looking to harvest Salmon and maybe Cod. DECD hasn't been involved but they are working with Maine & Company. The Norwegian Company is planning to make a multi-million dollar investment. They have taken steps to hire Consultants and folks on the ground in Maine. From what I hear, they do not have a site designated and are just exploring.

I'd love to hear if you find out more.

Thanks Denise

Seven minutes later.

From: Mendelson, Meredith

Sent: Wednesday, June 17, 2020 9:50 AM To: Garland, Denise

Subject: RE: Norwegian Salmon Farmers Interested in Maine

Good to know they are working with others as well. Thanks, Denise. Will definitely keep you in the loop as we learn more. Would you like me to suggest they reach out to you (or someone else at DECD) as well?

Finally.

From: Garland, Denise

Sent: Wednesday, June 17, 2020 9:53 AM

To: Mendelson, Meredith

Subject: RE: Norwegian Salmon Farmers Interested in Maine

Thanks Meredith. Yes, probably will be me. Thanks

Denise

Garland's boss, Maine Economic Development Commissioner Heather Johnson is also a board member of Maine & Co.

So connecting all the dots:

Maine & Co. begins to assist American Aquafarms in March 2020 and introduces AA to its members, including a law firm, an engineering firm and a construction company. The law firm then seeks help from the Maine regulator which issues licenses and permits for aquaculture - the email to Marcy Nelson, director of aquaculture for her help to site the salmon farms. The regulator then seeks help from the state agency which recruits companies and sits of the board of Maine & Co.

Ten days after her first email the Bernstein Shur lawyer writes another email to Peter Del Greco in which the question of actual aquaculture policy being considered by the state is raised. Del Greco tried to help.

From: Mary Costigan

Date: Friday, June 26, 2020 at 12:02 PM

To: Peter DelGreco, Ashley Pringle, apringle@maineco.org

Subject: Economic Recovery Committee

Hi all:

You may already know this, but the Governor's Economic Recovery Committee has a proposal that would create a virtual format for the aquaculture lease process. I understand it is being forwarded to the Governor. I don't know any more specifics, but will let you know if I hear any more. This would likely address the current standstill in the review process.

Mary

From: Peter DelGreco

Sent: Friday, June 26, 2020 12:12 PM

To: McLaughlin, Phoenix, tax incentive manager, Maine economic development

Subject: Fwd: Economic Recovery Committee

Quick question: see below. Do you know anything about this proposal?

Thanks! Peter

McLaughlin, Phoenix to Peter DelGreco

RE: Economic Recovery Committee

Friday, June 26, 2020 12:15:29

The Manufacturing and Natural Resources subcommittee discussed that as one of their likely recommendations at the full committee this morning. I don't have more details since I'm not staffing that group, but I expect it will be circulated soon if it is one of their final recommendations for this "quick-start" phase. I can let you know if it is indeed going forward.

Mary Costigan did not return several of the QSJ's request for an interview.

The QSJ emailed DMR communications director Jeff Nichols numerous times for an opportunity to discuss these matters and did not get a reply.

Del Greco didn't stop there. In an email to his board Oct. 13, 2020, obtained through FOAA, he arranged to introduce American Aquafarms to his board members at its meeting Oct. 20, 2022 when the governor was scheduled to attend.

"We expect a presentation and discussion from a new aquaculture company establishing a significant operation in Maine. We have worked with the company since March and they are planning an investment north of \$100 million in Gouldsboro.

"The company will announce that they are using a revolutionary new closed pen system. As part of this announcement, there will be a discussion of their work with Maine partners like Maine Fair Trade Lobster, Ransom Consulting, and Cianbro, among others.

"If both Governor Mills and the new company are available to join us on 10/20, they will consume the majority of the time during the board meeting."

But that presentation never happened, Del Greco said.

Around the same time, about six months after he started working with AA, Del Greco learned from an article sent to him that Mikael Roenes served more than two years in a Norwegian prison for fraud.

"Did that change your relationship at all?" Del Greco was asked.

"Yeah, it did. Because of what we learned, and when we learned it, we stopped working with them. Frankly, they were going to need a much bigger organization than what I was. We're a three-person organization.

"We really truly believe that what we're doing is good and important. And at the same time being a three-person nonprofit with you know, a fairly minimal budget.

"Sometimes projects get beyond our scope and capabilities."

Maine & Co. was started under the Angus King administration to serve as the state's marketing arm. In 2017-18, it received a two-year service contract for \$250,000 from the LePage administration. That was reduced during the Mills administration to about \$70,000, Del Greco said.

The QSJ emailed Gov. Janet Mills's chief of staff, Jeremy Kennedy to ask if she knew that Mikael Roenes was a convicted felon. He did not reply.

How does Maine & Co. feel about being the point of the spear for the state with only a three-person staff?

Is there a vetting process?

“Not having access to sophisticated tools, we'll do our Google searches, we'll ask our networks. Do you know this person, stuff like that? A big part of what we do. I mean, in all honesty, is filter out projects because so many projects knock on our door and make fairly unrealistic claims and say, hey, you know, if the state can give me \$50 million, I can create 120 jobs, right?

“I'm like, great and if the State gave me \$50 million, I could create 120 jobs.”

FOOTNOTE: Last November, American Aquafarms named New Bedford, Mass.-based Blue Harvest Fisheries' most recent CEO, Keith Decker, as its new top executive. Roenes said at the time it's not unusual for founders to turn daily operations to a seasoned CEO.

Two groups, Protect Maine's Fishing Heritage Foundation and Frenchman Bay United, issued a joint statement when Roenes announced he was stepping down,

“Regardless of who is CEO, the company can't run from the fact that their proposal has no support because of its unproven technology, massive pollution, and threats to lobstering, tourism and small-scale aquaculture in and around Frenchman Bay.”

Carrie Peabody
Jonesport, Maine
LD 508

Testimony for LD 508 presented in written format only.

Thank you for accepting my submission.

Carrie Peabody
Jonesport Maine