



## **Testimony in Support of LD 32 and LD 257**

### **An Act to Eliminate the Practice of Net Energy Billing**

Senator Lawrence, Representative Sachs and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Anthony Hourihan and I represent Irving Forest Products. Irving Forest Products operates 3 sawmills in Maine, 2 in Aroostook County at Nashville Plantation, and Masardis, and another in Oxford County in Dixfield.

We are submitting testimony in support of LD 32 and LD 257. The forest products industry in Maine supports thousands of good paying jobs across the State, especially in rural areas. We face many challenges in our industry, from workforce shortages to high freight costs, and the decline of new housing starts associated with high interest rates. The largest challenge we are facing is the skyrocketing costs of electricity at these manufacturing plants, with seemingly no end in sight.

The Public Policy charges on our bills, monthly, associated with our 3 mills are running at \$440,000 per month, with all plants being in that range of a 22% to 26% premium over base power and T&D charges. Net Energy Billing has proven very lucrative to those who had the financial capacity to invest and become part of the program, but the result of having rate payers subsidize these investments has proven to make it very hard to remain competitive as a manufacturer in the State.

Irving supports renewable energy, which is evident from our switch from fossil fuels over the past 2 decades to biomass for our process heat and steam. However, when renewables must be subsidized by rate payers to justify the projects it creates a bleak situation for manufacturing in the State. The State is looking to expand forest products manufacturing in new and innovative products; however, investment will go where the conditions, including power rates, are competitive. And with a 25% surcharge on rates to pay others a premium rate at more than 2x times market rates the message is clear that Maine is not interested in manufacturing.

Thank you for your time and I urge that you vote ought to pass on LD32 and LD 257.

Thank you for your consideration.

Anthony Hourihan  
Irving Forest Products