



Maine Forest Products Council

The voice of Maine's forest economy

Testimony in Support of LD 1250

“An Act to Provide That Portfolio Requirements for Renewable Electricity Resources Apply Only to Actual Retail Sales”

April 9, 2025

Patrick Strauch, Executive Director

Good afternoon, Senator Lawrence, Representative Sachs and members of the Energy, Utilities and Technology Committee. I am Patrick Strauch of Exeter, and I am submitting testimony today on behalf of the Maine Forest Products Council in support of LD 1250, “An Act to Provide That Portfolio Requirements for Renewable Electricity Resources Apply Only to Actual Retail Sales.”

For 65 years, the Maine Forest Products Council has served as the voice of Maine's forest economy, representing more than 300 members from all facets of the forest products industry. Our members include pulp and paper mills, sawmills, secondary wood processors, foresters, loggers and truckers. We also represent commercial landowners sustainably managing more than 8 million acres of forestland.

The Council supports LD 1250 since the plain language of the existing statute clearly limits the applicability of the Renewable Portfolio Standard (RPS) to retail sales of electricity by competitive energy providers (CEP) to electricity customers within Maine. For behind the meter cogeneration, like that done at many MFPC members, there is no sale, there is no CEP, and there is no third-party customer. It is very straightforward that the RPS does not apply and therefore the PUC's self-manufactured policy of behind-the-meter holdback of RECs is unlawful.

Those MFPC members with on-site cogeneration:

- typically operate biomass-fired renewable energy generators, just like out of state companies;
- need to meet the statutory requirements for qualifications, just like out of state companies;
- receive RPS certification by final orders of the PUC, just like out of state companies;
- can sell their RECs to CEPs who have a compliance obligation in Maine, just like out of state companies; BUT
- are required by the PUC's unlawful policy to hold back a number of RECs equivalent to the behind-the-meter consumption of their own self-generated electricity, UNLIKE out of state companies.

All LD 1250 does is in essence ask the PUC to obey the existing law and not hurt Maine businesses who have invested in renewable generation on-site and to serve to their own load. The impact of passing LD 1250 will be that Maine's self-generating businesses will be able to decide for themselves whether they want to retire their self-generated RECs or sell them for the benefit of Maine electricity customers who do not have self-generation but do have a compliance obligation that is passed onto them through the standard offer or their CEP.

Maine's indigenous renewable self-generators should be treated just like other generators in other states who sell their RECs into Maine. If this happens there would be NO harm to other Maine customers, because passing LD 1250 will increase the supply of RECs available for compliance by Maine CEPs and their retail customers. For these reasons, we urge you to vote 'ought to pass' on LD 1250. Thank you for your consideration.