



Maine Forest Products Council

The voice of Maine's forest economy

Testimony in Support of LD 1251

“Resolve, to Reduce the Cost of Energy in Maine and Further Reduce Greenhouse Gas Emissions Through Energy Contracts”

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 1251, “Resolve, to Reduce the Cost of Energy in Maine and Further Reduce Greenhouse Gas Emissions Through Energy Contracts.”

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.

As Executive Director of an organization which represents the interests of an industry that relies heavily on natural gas as part of the fuel mix to operate machinery and electrify operations, one of the first things that MFPC members tell me when we begin a discussion on energy is “We need more natural gas in this state.” Whether they are talking about recuing the price of electricity or getting another option instead of burning oil, they know that the issue is not that we do not have enough domestic natural gas being produced at extremely low cost – the issue is that we can’t get enough of this low-cost gas into new England and Maine. That need will persist at least a decade, if not two in New England and Maine.

We very much appreciate that the Legislature and the PUC have tried to address this issue, only to be stymied by states to our south and west that at the time did not want further natural gas pipeline expansion. However, those states (and the federal government) have now changed their positions, and Maine should step up again and play a significant part in regional discussions about how to achieve a goal that will reduce electric costs in Maine and New England and reduce our dependence on expensive imported LNG and higher emitting fuels like oil and coal.

If we do this, we can really set the stage for encouragement of beneficial electrification by reducing the disincentive for residential and small commercial businesses to further electrify.

SOME BACKGROUND:

However, natural gas will set the price of electricity in New England for at least the rest of this decade and likely through the next. If we do nothing to reduce the costs in Maine and New England, we will face that cost predicted by the PUC if not higher. As an example, it has been estimated that New England ratepayers paid enough in higher electricity prices in January and February 2022 to pay for the ENTIRE capital cost of a new interstate natural gas pipeline in the region. Similar economics have been in play this winter.

In addition, in less than two weeks this winter, New England's oil-fired electric power plants emitted over 1.2 billion pounds of CO₂, and this amount of CO₂ emissions "undid" the gasoline-displacement carbon emissions effect of 2.2 times as many EVs as all of New England had in 2021.¹ Failure to have adequate supplies of natural gas – and failure to plan a thoughtful transition from natural gas to even lower carbon-containing liquid fuels will damage the Maine economy and increase greenhouse gas emissions for years.

For our members, the high cost of energy is an issue of top concern given that our facilities must compete domestically with states like Wisconsin, Minnesota and Michigan where the cost of doing business is all around lower than here it is here in Maine. We view LD 1251 as an opportunity for Maine to become more competitive, so we urge your support. Thank you for your consideration.

¹ Petroleum-fueled power generation data from US EIA, available at https://www.eia.gov/electricity/gridmonitor/expanded-view/daily_generation_mix/regional/REG-NE/RegionBaEnergy mix-18/edit.