

18 N. MAIN STREET S U I T E 2 O 4 CONCORD, NH 03301

6 0 3 - 2 2 9 - 0 6 7 9 northernforest.org April 8, 2025

Testimony of Northern Forest Center In Favor of LD 1212

"Resolve, to Study Opportunities for the Efficiency Maine Trust to Support the Promotion and Use of Modern Wood Heating"

Senator Lawrence, Representative Sachs, and members of the Committee on Energy, Utilities, and Technology,

My name is Joe Short, Vice President of the Northern Forest Center. I am writing to express our support of LD 1212, a "Resolve to Study Opportunities for the Efficiency Maine Trust to Support the Promotion and Use of Modern Wood Heating."

The Northern Forest Center is a regional organization that promotes forest-based economy and community development across northern Maine, New Hampshire, Vermont and New York. In 2011, the Center began promoting the use of advanced wood heat through our Model Neighborhood Project which facilitated pellet boiler installations in communities across the region including Farmington and Wilton. Since 2020, we have worked to build consumer awareness and demand for wood heat as an economical, Maine-grown alternative to fuel oil and propane through our Feel Good Heat education campaign. Most recently, we have installed pellet boilers in our own residential buildings in Bethel and Millinocket, Maine.

Modern wood heat provides many environmental and economic benefits to the State of Maine, from supporting local jobs and helping keep forests as forests to providing cost savings for residents and reducing dependence on fossil fuels. However, the upfront cost of installation and misinformation about emissions from modern wood heat introduce barriers for the widespread adoption of technology.

Like heat pumps, modern wood heat deserves support and promotion from Efficiency Maine as a heating solution for the State of Maine. This includes programs and incentives for homeowners and businesses looking to purchase and install highly sophisticated and efficient wood pellet boilers and furnaces as well as messaging that accurately highlights the environmental and economic benefits of modern wood heat. LD 1212 is a step in the right direction.

Modern wood heat – a category that includes EPA-certified whole-home automated boilers and furnaces – provides multiple benefits over fossil fuels and other heating sources:

<u>Maine Economy</u>. Modern wood heat supports Maine's forest sector, adding value to every timber harvest, keeping money circulating locally, and providing Maine jobs at each step in the supply chain. The state's forest-products industry <u>generates nearly \$8.5 billion in economic output and supports 33,500 workers</u> each year. Moreover, money spent on Maine-made fuels stays right here in the state.

<u>Carbon Emissions</u>. When looking at on-site emissions, it is important to note that wood pellets are produced from the byproducts of forest management and sawmilling that are already destined to decompose and return carbon to the atmosphere. Therefore, wood pellets do *not* release any additive emissions than would have occurred naturally.

<u>Life Cycle Emissions</u>. When accounting for all greenhouse gas emissions from sourcing, processing, and transporting, high-efficiency modern wood heat systems reduce emissions by <u>54% compared to oil and 59% to natural gas</u> upon installation, according to an independent, peer-reviewed analysis.

Cost Savings. For customers looking to shift away from fossil fuels, modern wood heat is both cost effective and stable. While the upfront cost of wood pellet boilers and furnaces is more expensive than air-source heat pumps, the system lasts three times as long – 30 years compared to 10 years – and the fuel itself costs less on a BTU basis than all other heat sources except for natural gas. During the 2023-2024 heating season, wood pellets were 62% cheaper than the average cost of electricity as well as 6% and 24% cheaper than the average cost of fuel oil and propane, respectively (on a MMBtu basis).

A Complement to Electrification. As the state electrifies, modern wood heat will ease pressure on the electric grid during peak load hours and cold snaps. Many older buildings are not well-suited to heating with air-source heat pumps. Heat pumps are widely recognized for running at high efficiency. However, even with the latest advances, their efficiency drops the colder the outside air, requiring two to three times more electricity – often from carbon-generating sources like coal and gas – to heat the same space.

At the Northern Forest Center, we see firsthand the benefits wood heat provides to Maine's rural communities, economies, and forest industries. Efficiency Maine is a key tool for diversifying Maine's heating sector and it is critical that they are part of encouraging the promotion and use modern wood heating systems in the State. I encourage you to support LD 1212. Thank you for considering this testimony.

Sincerely,

Joseph Short Vice President

Northern Forest Center

Joseph Short