



# Maine Forest Products Council

*The voice of Maine's forest economy*

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## Testimony in Support of LD 1868

### **“An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws”**

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Krysta West, Deputy Director

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology. My name is Krysta West. I am a resident of Readfield and am submitting testimony on behalf of the Maine Forest Products Council in strong support of LD 1868, “An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws.”

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 managing more than 8 million acres of forestland.

This bill requires the Governor's Energy Office to hold at least one competitive solicitation every two years to procure renewable or clean energy, or their associated environmental attributes, through long-term contracts. These procurements would happen only if the office determines they are necessary to meet Maine’s emissions reduction targets, clean energy goals, or to address projected electricity demand and reliability needs.

LD 1868 also updates Maine’s energy targets to reflect its commitment to a clean energy future. By 2040, 90 percent of electricity sold at retail in Maine would come from renewable sources, and the remaining 10 percent would be from other clean sources. Additionally, the bill allows the Public Utilities Commission to coordinate with other states to jointly procure clean energy, energy capacity, and environmental credits, helping ensure affordability and reliability across the region.

This policy has real-world impacts here in Maine, especially for facilities like the biomass energy plant co-located with Stratton Lumber. This 48-megawatt facility is not only a key energy producer, but also an economic anchor for a rural part of Maine. It provides a critical solution for disposing of mill residues from the forest products industry while increasing harvest efficiency. Without it, waste from sawmills, logging operations, and landowners would end up in landfills or be left in forests.

As ReGenerate shared in their testimony, it takes forest residuals and sawmill byproducts and converts it into renewable energy. The byproduct from this process creates wood ash. The Stratton facility supports over 90 family farms by supplying clean ash which is used as a safe fertilizer. It’s also set to host a promising new biochar project that could help address PFAS contamination, which has emerged as a significant environmental and public health concern within our state. Biomass is an important link in the forest economy chain, providing many economic and environmental benefits with residuals that would otherwise be wasted.

A key provision of LD 1868 authorizes the PUC to initiate a targeted solicitation from Class IA renewable resources to support the continued operation of facilities like Stratton. Without a long-term contract secured through a competitive process, the facility will face unsustainable energy costs and could be forced to shut down or significantly reduce operations. While some facilities may weather this for a time, Stratton cannot, and the loss of this facility would have effects that ripple throughout the regional forest industry.

This bill offers a path to stability for Maine's clean energy producers while advancing our long-term climate and economic goals. It helps keep people employed in good-paying jobs and supports rural communities across the state. Long-term contract procurements provide an opportunity to meet climate goals at the lowest costs, and these contracts can be a good approach for energy intensive forest industry businesses. These contracts also provide a way for electricity generators to use forest products residuals to provide clean energy for our state. For these reasons, we respectfully urge the Committee to support LD 1868 and vote in favor of its passage.