



Testimony of

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**Before the Joint Standing Committee on Energy, Utilities and Technology on LD
597, An Act Concerning Energy, Utilities and Technology**

Wednesday, May 21, 2025

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of the Northeast (PLC). The PLC is an educational non-profit organization that educates the public on logging and associated trucking issues throughout the Northeast, predominately in the state of Maine.

As background, the PLC was created in 1995 to give logging and associated trucking contractors a voice in a rapidly changing forest products industry. As of 2021, logging and trucking contractors in Maine employed over 3,000 people directly and were indirectly responsible for the creation of an additional 2,500 jobs. This employment and the investments that contractors make contributed \$582 million to the state's economy. Our membership, which includes over 200 contractor members in the state of Maine, is responsible for more than 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in support of, 597, An Act Concerning Energy, Utilities and Technology. We will direct our remarks toward the sponsor's amendment that was shared with the interested parties list on May 16th. The amendment would provide an important step toward Maine's clean energy future, while also enhancing the resiliency of local logging businesses by supporting the potential of renewable resources like biomass.

It is no secret; the forest products industry has a long and proud heritage in Maine and remains a significant economic driver in the state's economy. However, over the last decade, the industry has gone through significant change.

Since 2014, Maine has experienced the closure of six pulp and paper mills and the closure of three wood energy electric facilities. As a result, Maine lost 50 percent of its softwood pulp market and has also seen a two-million-ton reduction of biomass utilization. Since 2014, the total economic impact of the forest products industry fell from \$9.8 billion to \$7.7 billion, and more than 5,000 jobs have been lost.

Since 2020, we have lost about 40% of the logging capacity across the state as a result of mill closures and a pullback in building construction due to high interest rates. Adding insult to injury, inflation on equipment, parts, wages and labor over the last five years has been upwards of 40%. And currently, with the added tariff threats, contractors are also now reporting that they are experiencing further inflation on fuel and equipment, in the amount of an additional 25%. A majority of contractors are questioning the economic viability of their businesses and their path forward.

In 2016, the Legislature supported LD 1693, Resolve, Establishing the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry. This Commission's charge was to study the use of biomass in a thoughtful and meaningful way with the intent to creating a long-term roadmap at a critical point in time.

This commission looked at biomass from a very broad perspective, not just with respect to harvest residuals for electric generation, but also at the entire value chain, to understand the relationships and the impacts. The commission learned that biomass is more than just a bi-product from harvesting, it is also sawmill and manufacturing residuals, pellets and it is also not just an asset, but an opportunity.

Wood has proven time and time again to be a reliable source for energy production in Maine. From our perspective, wood energy should play a pivotal role in Maine's pathway to reduce its reliance upon fossil fuels and achieve carbon neutrality. Wood and biomass are readily available, and the dollars spent on them circulate directly throughout our state economy. At the same time, harvesting this renewable resource supports Maine jobs, rural communities, and the consumption of low-value wood, which Maine's Department of Environmental Protection deemed carbon neutral.

In conclusion, energy created from biomass is renewable, supports rural economies, and does not release any new greenhouse gases into the atmosphere. It is crucial our industry to ensure existing biomass facilities remain financially viable, not only for the existing infrastructure of the state's power supply, but the rural jobs the facilities support. The sponsor's amendment for LD 597 could provide support for these facilities and the logging industry it supports.

Thank you for your time and consideration and I urge you to support this legislation.