



Testimony of ND Paper
before the Joint Standing Committee on Energy, Utilities & Technology
In Support of L.D. 1250, *An Act to Provide That Portfolio Requirements for*
Renewable Electricity Resources Apply Only to Actual Retail Sales
February 28, 2021

Good afternoon, Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities & Technology. I am Joel Pike, Vice President of Operational Excellence and Energy for ND Paper, which operate the pulp and paper mill in Rumford. I am a resident of Jay, Maine. I am here today to testify in support of L.D. 1250, *An Act to Provide That Portfolio Requirements for Renewable Electricity Resources Apply Only to Actual Retail Sales*.

ND Paper acquired the Rumford mill in 2018. ND Paper's economic impact in Maine includes hundreds of direct and indirect employees, both union and non-union company employees and contractors. The Rumford mill and the entire industry have not fully recovered from the historic crash in most grades of paper that began at the start of the pandemic. In addition, changes required in order to respond to pandemic-induced market impact continue to pose challenges for our mill. Despite that, ND Paper has invested more than two hundred million dollars in Maine since 2018.

We support LD 1250 since we believe that the PUC's behind-the-meter holdback of RECs is inconsistent with the plain language of the existing statute, which clearly limits the applicability of the RPS to retail sales of electricity within Maine.

ND Paper operates several biomass-fired renewable energy generators at Rumford. Prior owners received RPS certification by final orders of the PUC years before ND Paper acquired Rumford. In reviewing those orders, we noted the behind-the-meter holdback and have complied with that requirement even though we questioned the basis for the requirement. After noting that several renewable energy generators have unsuccessfully petitioned the PUC to remove the

holdback, we asked Representative Wadsworth to bring this bill to clarify the RPS requirement in Maine. In a recent order on the holdback, the PUC stated:

While the holdback requirement may lead some Maine generators to certify and sell their renewable resource generation out of state, the Commission observes that the issue of consistently accounting for renewable energy at the state and regional level in order to meet state climate goals is best addressed at the Legislature.

The impact of passing LD 1250 will be that the Rumford mill will be able to sell all of the RECs it generates, just like other generators in other states who sell their RECs into Maine.

Passing LD 1250 will increase the supply of RECs available for compliance by Maine CEPs and their retail customers. I would like to note that even if this bill passes, all consumer generators like ND Paper will still be responsible for RPS compliance on any electricity they purchase in the retail market, absent some other exemption.

Thank you for the opportunity to provide testimony in support of L.D. 1250. We ask that you vote this bill Ought To Pass. I would be happy to answer any questions now or at the work session.