

**Our Business is Distinctive Potato Products** 

Senator Mark Lawrence Representative Melanie Sachs

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Supporting LD1792

My name is Jason Woollard. I am from Aroostook County, and I am 5<sup>th</sup> generation potato farmer. I am also one of the owners of the Penobscot McCrum french fry factory. We built our factory 5 years ago in Washburn and we have been significantly impacted by the current and recently ordered new electrical rate design, specifically due to Net Energy Billing.

The current rate design is lethal to our business, as it is costing us \$690,000 annually. This cost is not sustainable, and it is a burden that our competition in Canada and the Pacific Northwest does not have.

I am very concerned that a handful of businesses in Aroostook must bear so much of the burden. I am also concerned that residential ratepayers in Northern Maine pay up to 50% more of the NEB cost compared to some other areas in Maine.

I have been told that the \$690,000 was an oversight in the initial rate design, but that does not change the fact that we have pay it. The fact of the matter is that if our factory was located in Penobscot County we would have paid approximately \$62,000 annually. To say that Aroostook industrial class customers should be responsible for 10 times more of Net Energy Billing cost is absurd. This policy is discouraging investment in Maine, and may cause existing businesses to leave.

McCrum sells approximately 150,000,000 lbs of products, of which 99% is sold outside of the state of Maine. That money comes back to Aroostook County to support our local economy and help grow our business and many other local businesses. Over the past 12 months we have paid real Maine potato farmers approximately \$35,000,000. If you really want to know what drives the Aroostook County economy, it is this exact scenario repeated by many other businesses just like us.

We supported the stipulation to help alleviate some of the NEB cost burden that was



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allocated unfairly because it corrected many of the inequities of the current rate design and had the support of the OPA, IECG, Competitive Energy Services and a majority of the generators. The stipulation was not perfect for any one group, including McCrum, but it is a negotiated compromise among stakeholders. But the PUC order rejecting the stipulation makes it worse, providing little to no relief to McCrum and other Aroostook County industrial businesses and causing some large industrials in Aroostook to pay significantly more than the current \$690,00. We need to more than just reduce the NEB cost by a percentage. The rate design needs to be fixed.

Our great State of Maine is one of the most environmentally friendly areas to grow potatoes in the United States. Aroostook County farmers and potato processors believe in clean energy and continuous improvement of our environment. This may sound cliché, but we live it every day, and our family has farmed the land of Aroostook since 1886. My great great grandfather once said "take care of the land and the land will take care of you" and we have lived by those words for the last 139 years. If, and with the PUC's order it's a big IF, we can stay competitive in the global market, we will be able to continue this tradition in Aroostook County for generations to come. I commend and respect the job that every single one of you do for the people of the State of Maine. I am sincerely asking for this help to give the hard working people of Aroostook County some relief, so we can continue to grow our businesses and raise our

families the way we have done for generations.

Sincerely, Jason Woollard Penobscot McCrum, LLC