



Testimony of ND Paper
before the Joint Standing Committee on Energy, Utilities & Technology
In Support of L.D. 1792, *An Act Regarding the Energy Policy of the State*
May 15, 2025

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. 1792, *An Act Regarding the Energy Policy of the State*. ND Paper supports the sponsor's amendment on the bill. We thank Senator Grohoski for bringing the amendment forward and we ask that the Committee vote Ought to Pass as Amended on L.D. 1792.

ND Paper acquired the Rumford mill in 2018. ND Paper's economic impact in Maine includes direct and indirect employment of hourly and salaried workers. Each year, the Rumford mill spends millions directly in the State of Maine for materials procurement, payroll, and taxes. 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 the Rumford mill since 2018.

Net Energy Billing stranded costs are crippling. They were bad, but tolerable, when the Commission initially chose to allocate costs within class on a 100% fixed basis in order support beneficial electrification. The Stipulation was a middle ground, conceived of by the Public Advocate and gaining the support of generators, with its basis of 85% fixed. However, the Commission's decision to reverse itself, and gratuitously help the generators at the expense of manufacturers by allocating costs on a 70% volumetric basis, is potentially lethal.

The decision undermines any opportunity that ND had to electrify fossil uses, by taxing each incremental kilowatt-hour of electricity consumption. It may make a reversion to burning oil economic and perhaps necessary to stay in operation. It may make it more attractive to leave the grid as a way of avoiding such grid related costs. ND competes globally, and as a result is highly sensitive to any change in electricity pricing and the cost of alternatives.

ND Paper appreciates the tremendous work put into the Stipulation by the parties that negotiated it—each giving and taking to come to a reasonable solution for all.

ND appreciates the tremendous work of Sen. Grohoski in seeking the preserve that negotiated resolution, support beneficial electrification, and make manufacturing a part of Maine's future.

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