

May 02, 2021

Honorable Stacy Brenner, Senate Chair Honorable Ralph Tucker, House Chair Joint Legislative Committee on Environment & Natural Resources 100 State House Station Augusta, ME 04333

Re: LD 676, An Act to Reclassify Part of the Androscoggin River to Class B

Senator Brenner, Representative Tucker, and members of the ENR Committee, my name is Price Howard, and I am the CEO of White Mountain Paper in Gorham, New Hampshire. The White Mountain Paper Co. facility has been a member of GIPOP, Gulf Island Pond Oxygenation Partnership since the inception of the project (circa 1984). I am here to testify in opposition to Maine LD 676 – An Act to Reclassify Part of the Androscoggin River to Class B.

White Mountain Paper Company, under numerous different ownerships, has existed for well over a century and today is one of New Hampshire's last operating paper mills. Located on the banks of the Androscoggin, its operations have played a vital role in the community and region, being one of the major employers through direct hire, external service suppliers and vendors.

Out team acquired the mill out of bankruptcy on December 31, 2020, after years of deferred maintenance and unpaid bills leaving the mill teetering on the cusp of liquidation. Our acquisition and investment preserved 73 jobs that would have otherwise been lost along with millions in regional spending with external suppliers & vendors. Including nearly \$17MM annually in pulp purchases that comes from suppliers operating in Maine.

Embarking on this acquisition, we were acutely aware that much needed investment was required to stabilize the mill operations. This capital infusion was committed to as we developed a robust capital and operating plan to transition the mill from an underperforming asset base to a top quartile operation. Our overall objective to take a historically volatile operation, transform it to a stable operation, positioning it for future scalability is progressing according to plan. While this effort has had its challenges, we believe we will successfully acheiuve our goals. In doing this, we will preserve these critically important jobs while maintaining the utilization of regional suppliers, creating an opportunity for future expansion and additional job creation.

What we did not anticipate, was that shortly after acquiring the Mill, legislation would be filed, that if adopted could potential impact our of future compliance of with our operating discharge permit. This risk will put further economic strain on the stabilization efforts in progress at the mill. Should this bill be adopted, it will result in costly expenditures for equipment and process changes of the GIPOP facility in order to meet new license criteria down river. This additional expense would be a significant unforeseen expense, and one that would put our facility, our employees and suppliers in a challenging position.



Our experts I will speak to what specific impact or lack of thereof that this legislation would have on improved water quality in the lower Androscoggin River. As it is our understanding that this proposed legislation will not achieve the desired improvement in water quality, but rather create an unfair burden on operators along the Androscoggin, including municipalities in New Hampshire and Maine, without demonstratively improving the water quality of the river.

LD 676 represents a potentially significant negative impact to the mill, its employees, and vendors while not demonstrating that it will achieve the desired result of improved water quality. This bill will cause negative financial impact to White Mountain, reducing the availability of funds earmarked for improvements and expansion effort at the mill. With consideration to the families potentially impacted by this proposed legislation, I respectfully ask the Committee on Environmental and Natural Resources to not support the passage of LD 676 and recognizing the importance of our operating paper mill, the role in plays in the community, and the jobs that find themselves at risk if LD 676 is passed.