



Maine Forest Products Council

The voice of Maine's forest economy

Companies represented on the MFPC Board

American Forest Mgmt.
Baskahegan Co.
BBC Lands LLC
Bradbury Forest Mgmt.
Columbia Forest Prod.
Cross Insurance
Family Forestry
Farm Credit East
Fontaine Inc.
H.C. Haynes
Huber Resources
Innovative Natural
Resource Solutions
J.D. Irving
Katahdin Forest Mgmt.
Key Bank
LandVest Inc.
Limington Lumber
Louisiana Pacific
Maibec Logging
ND Paper
Nicols Brothers
Pingree Associates
Pixelle Specialty Sol.
Pleasant River Lumber
Prentiss & Carlisle
ReEnergy
Richard Wing & Son
Robbins Lumber
Sappi North America
Southern Maine Forestry
Stead Timberlands
TD Bank
Timber Resource Group
Timberstate G.
Wadsworth Woodlands
Wagner Forest Mgt.
Weyerhaeuser

Testimony supporting LD 597 An Act to Establish the Wood Energy Investment Program

March 16, 2021

Patrick Strauch, Executive Director

Senator Lawrence, Representative Berry and honorable members of the Committee on Energy, Utilities and Technology, I am Patrick Strauch, and I reside in Exeter, Maine. I am the Executive Director of the Maine Forest Products Council and I am speaking in support of LD 597.

Since 1961, MFPC has represented the broad spectrum of our state's diverse forest products community, including logging contractors, sawmills, pulp and paper mills, biomass energy facilities, pellet manufacturers, furniture manufacturers, and the owners of more than eight million acres of commercial forestland in Maine.

LD 597 represents an innovative use of thermal credit compliance payment funding to create the Wood Energy Investment Program. Moving payments from the Energy Efficiency and Renewable Resource Fund to a program that focuses on incentivizing investments in new wood-derived thermal energy or cogeneration projects.

The thermal T-REC program is still in its infancy, but I can report existing businesses making plans to improve efficiencies in their wood manufacturing operation, and new operations selecting Maine as a new location because of Maine's T-Rec Program.

We support the establishment of the fund within the Efficiency Maine Trust as a vehicle to collect funds from alternative compliance payments used to satisfy the portfolio requirements for thermal renewable energy credits, funds from the state or federal government, and principal and interest received from the repayment of loans.

The focus on providing incentives, low interest loans, and no interest loans for new wood-derived thermal energy or cogeneration projects is appropriate and will stimulate market growth in the forest industry.

Since 2014 Maine has lost about 4 million tons of markets for in-woods biomass and pulp mill products. Without a home for every part of the tree, management of the forest suffers. The industry is rebuilding these markets.

Financial incentives that could be supported by the Wood Energy Investment Program are part of the solution to building a stronger Maine forest economy.

Thank you for your consideration.