

**Testimony on LD 1202
An Act To Establish a Wood-Fired Combined Heat and Power
Program**

**Presented on
15 April 2021
to the
Committee on Energy, Utilities and Technology**

**The Honorable Senator Mark Lawrence, Chair
The Honorable Representative Seth Barry, Chair
And Distinguished Members of the Committee on Energy**

My name is Don Tardie and I reside in Ashland. Today, I'm offering testimony in support of LD 1202. I have worked in the forest products industry since 1971. I have been a registered professional forester for all my forestry career and have held various forest management positions from managing logging operations, lumber mills, woodlands and fiber procurement for a major pulp and paper company. I am currently serving as president of the Ashland Area Economic Development Corporation.

In 2019, Ashland lost its major employer and biggest contributor to its municipal tax base. ReEnergy's biomass electrical generator contributed over \$453,000 in annual municipal revenues representing about 7 mills to the Ashland tax base. Prior to losing ReEnergy, Ashland mill rate was 27. In 2020, Ashland was able to bridge the 7-mill impact by exhausting its rainy day fund. The Board of Selectman are desperately trying to find solutions to bridge the gap for 2021 with little success. The only real solution for our community is to encourage investors to come to Ashland. Our Economic Development Corporation is in the process of obtaining property for an industrial park and market our community to take advantage of the extensive forest resources we have within our region.

Combined Heat and Power (CHP) is the only renewable energy source that is base loadable to the grid and can provide thermal heat in major volumes. Because of its base loading capabilities, it has the added benefit of enhancing the reliability of the regional grid when other renewable energy generation may not be available. CHP utilizes local feedstocks to support its energy requirements thereby keeping money into the local economy. CHP further provides for a fully integrated and constant chain of employment activity from

the forest and lumber mill residues to the point of conversion into steam and electricity.

Our seven regional wood products facilities and another two potato processing plants would benefit in having the opportunity to provide for a portion of their own electrical and steam supply while supporting grid reliability. Due to the loss of ReEnergy, a huge carbon footprint has been created in the trucking of excess mill residues to distant markets.

I wish to call your attention to the Environmental Protection Agency Report called Combined Heat and Power Catalog of Technologies, U.S. Environmental Protection Agency, Combined Heat and Power Partnership. To quote the introduction and overview section of the report: “There are many potential advantages to using biomass instead of fossil fuels for meeting energy needs. Specific benefits depend on intended and fuel source, but often include: greenhouse gases and other pollutant reductions, energy costs savings, local economic development, waste reduction and the security of domestic fuel supply. In addition, biomass is more flexible (e.g. can generate both power and heat and more reliable as a non-intermittent source of energy options). This report provides excellent examples of CHP Energy Conversion Technology applied to industrial, municipal and utility settings.

CHP has been successfully used in Western Europe since the early 1980s, especially in the Scandinavian countries of Finland and Sweden. Domestically, many CHP projects exist in the central and western regions of the U.S. utilizing readily available feedstocks. In Maine, CHP projects exist primarily at pulp and paper mills, where a significant load requirements exists providing an ideal platform for efficiencies.

In closing, LD 1202 is sound policy for Maine’s renewable energy initiatives and therefore I strongly urge your support.

Respectively submitted

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