

DECEMBER 2022

MONTHLY NEWSLETTER

Official Newsletter of the Maine Forest Products Council



Message from the Executive Director

PAT STRAUCH

The last few months have been encouraging for the forest products industry. In November, industry investments totaling \$818 million were announced ([\\$400 million by LP Building Solutions](#) and [\\$418 million by Sappi](#)). This month, [Governor Janet Mills announced an additional \\$14 million in Forest Recovery Initiative grants](#) awarded to 19 Maine forestry companies. According to Governor Mills, these grants target “forward-looking industry projects that address new market demands, provide new sustainable products or otherwise advance the long-term stability of the forestry industry.” A full list of award winners (many of which are members) are listed within the newsletter.

We appreciate the Governor’s focus on the opportunities in Maine’s forest products businesses. These public and private investments will help our industry continue to adapt, thrive and create opportunities throughout rural Maine.

Also this month, the 131st Maine Legislature convened for what is sure to be a busy session on Wednesday, December 7 in Augusta. During this one-day event, new lawmakers were sworn in and immediately began work on LD 1, a bill targeting relief for home heating fuel. Negotiations on this bill are ongoing, and will likely not be resolved until the new year. It is unprecedented for the Legislature to take up business on swearing in day, but this Legislature appears to be ready to dive right into the important matters of the day. Cloture (the last day to submit bill titles for the First Regular Session) is December 30. Committee assignments are expected to be released prior to the next legislative session, which is scheduled for January 4. (Cont. on pg. 2)

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Executive Director message (cont.)

For this session, [the Maine Forest Products Council has compiled a legislative guide book](#) that breaks down some issues of importance roughly by committee structure. Covered in this report are issues like forest certification, carbon, Tree Growth Tax Law and the effects of tribal law on environmental regulations. The Council has printed hard copies of this report and will be distributing it to every legislator upon their return to Augusta this coming January.

The goal is to educate lawmakers on issues that impact our industry, and to open the lines of communication between lawmakers and our staff early on for new and returning members.

We look forward to working with the new legislature in productive and meaningful ways on behalf of our membership.

Also this month, the Portland Press Herald printed my response to a recent proforestation piece authored by two out-of-state groups. If you haven't already, [please read this piece](#) and be sure to share it on your social media. The forest industry is a critical component to Maine's response to climate change and sustainability, so please help spread the word!

Finally, we have revised our search for a part-time office manager. While Sue is far from replaceable, [please help us identify qualified candidates so that she can finally retire!](#)

If you have any questions about the contents of this newsletter, please don't hesitate to email myself (pstrauch@maineforest.org) or Krysta (kwest@maineforest.org).

Pat

Maine PUC issues RFP for Combined Heating and Power (CHP) Projects



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**Maine Public
Utilities Commission**

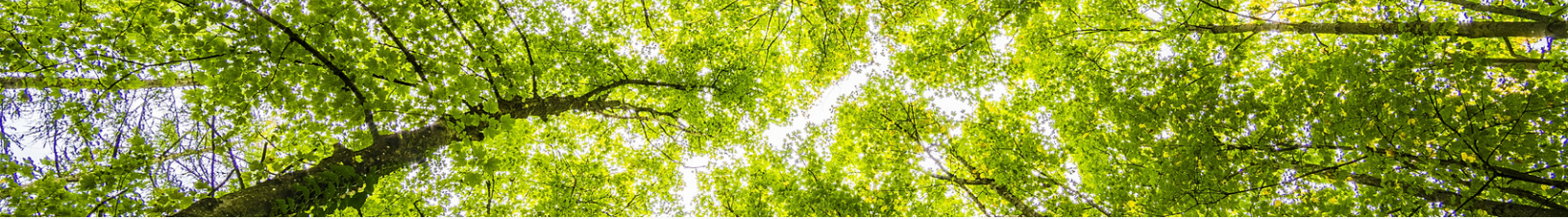
STATE OF MAINE

The Maine PUC has initiated a request for proposals (RFP) to purchase energy, capacity or renewable energy credits from qualifying wood-fired combined heat and power (CHP) projects. Applicants must have a net generating capacity of between 3-10 megawatts, with the total capacity of the program not exceeding 20 megawatts. This RFP is the result of a bill last year, LD 1202, "An Act To Establish a Wood-fired Combined Heat and Power Program." This bill was sponsored by the Honorable Nathan Wadsworth and strongly supported by the MFPC.

[Click here for more information about the RFP.](#)

[Click here for more information about the law establishing this program.](#)

[Click here to view MFPC testimony in support of LD 1202.](#)



Commentary: In Maine as elsewhere, the forest industry serves a vital purpose

By Patrick Strauch, Executive Director of the Maine Forest Products Council

[Special to the Portland Press Herald](#)

Recently, your paper ran an opinion piece ([“Commentary: Don’t be fooled by myths of carbon in Maine, New England wood products,”](#) Nov. 7) by authors from two out-of-state groups that misrepresented Maine’s forest industry and oversimplified the very complicated issue of climate change. The truth is, Maine’s responsibly managed forest provides an abundance of clean air, clean water, critical wildlife habitat and recreational access that is unparalleled – while also supporting ambitious climate goals and industry in some of the state’s most rural communities.

Pre-European settlement, Maine’s landscape was 92% forested. Today, with 17.5 million acres of forestland, Maine is 89% forested. Of that acreage, only 352,400 acres of forestland are harvested annually, according to the USDA. Harvest acres are regenerated and, as a result, [Maine is growing far more trees](#) each year than are being removed, allowing for both carbon sequestration and long-term carbon storage in the form of long-lived timber products.

It is also worth noting that Maine’s private landowners, [who own 94% of the state’s forestland](#), are [leading the nation in third-party certified sustainable forestry](#) with 8.3 million acres of forestland certified by nationally recognized programs. To achieve certification, landowners must adhere to forest practices that are environmentally sound, economically viable and socially responsible.

According to [research by the University of Maine](#), our managed forest currently captures 75% of the state’s annual fossil fuel emissions, with 60% captured by the forest and 15% captured in forest products.

The fact is, everybody uses wood products. If we want to slow climate change and reduce our carbon footprint, we must find more ways to use these renewable forest-based products instead of non-renewable fossil fuel derived products that are carbon-intensive and more challenging to recycle. For example, paper products were recycled at a rate of [68%](#) in 2021; cardboard was recycled at a rate of [91.4%](#). Together, paper and cardboard were recycled at a rate of [76.6%](#) and [can be reused up to seven times](#). All other materials were recycled at a rate of just [23.4%](#).

The [Maine Won’t Wait climate action plan](#) recognizes the importance of wood products in the battle against climate change, citing the need to “advance the design and promote climate-friendly building products.” It also notes that “promoting innovative wood products will reduce greenhouse emissions while supporting economic development in Maine’s forest products sector.”

Maine’s forest products industry is rising to the challenge. Our paper mills are making substantial [investments to produce more wood-based packaging](#). Multiple firms have announced plans to produce liquid fuels from wood, providing a renewable, Maine-made alternative to fossil fuels. In Madison, Timber HP will soon begin manufacturing wood-based insulation. Several colleges and universities are [investing in mass timber construction](#) to offset their carbon footprints. These are only a few examples of climate-driven innovation occurring in our sector.

Just letting trees grow without recognizing the increasing world demand for wood products and their climate benefits is like burying your head in the sand. Living in concrete houses without toilet paper and without all the jobs important to our rural communities is not my vision for the way life should be.

While carbon sequestration is undoubtedly an important co-benefit our forests provide, it is also of great importance to store that carbon in wood-based building products that offset our reliance on carbon-intensive, non-renewable materials like concrete, plastic and steel. Maine is a leader on this front. For that, we should all be very proud.



MFPC seeking part-time office manager

The Maine Forest Products Council, the not-for-profit trade association for Maine's iconic forest products industry, is seeking a part-time Office Manager (24-32 hours per week). The position is responsible for managing office operations including bookkeeping (AP/AR), budgeting, and facilities vendor management. The assistant reports to the Executive Director and helps manage correspondence and membership association activities. Event planning is an important aspect of the job; candidates should have experience in managing tournaments, annual meetings, or other similar events. The candidate must have good writing skills and be proficient in MS Office and QuickBooks. The position requires strong communications, organizational and interpersonal skills.

Compensation will be commensurate with experience. The position will be located at the MFPC offices at 535 Civic Center Drive, in Augusta, Maine.

Qualified applicants should send a cover letter and resume to adminassist@maineforest.org. [Click here to view or share our official job posting.](#)

Extended Producer Responsibility Rulemaking Process

The Department of Environmental Protections kicked off the rulemaking process for the new Extended Producer Responsibility (EPR) law on December 8. This meeting, the first in a long series of meetings that will conclude on August 8, focused on products and materials that should be exempt under the new law.

The Council did not submit an official comment for this meeting, however, we are hopeful that the rules will reflect the importance of sustainable wood-based packaging, and the work the industry has done to become a leader through investments in infrastructure and the creation of markets for recycled paper materials. In 2021, paper products were recycled at a rate of [68%](#) and cardboard was recycled at a rate of [91.4%](#). All other materials were recycled at a rate of just [23.4%](#).

Paper packaging is renewable, sustainable and highly recyclable. These materials should be incentivized, and not forced to subsidize carbon-intensive materials with inferior recyclability.

UMaine Factory of the Future Unveils First bio-based 3D printed home

On November 21, the University of Maine Advanced Structures and Composites Center held a ribbon cutting for the first 3D printed home fully made from renewable, bio-based materials. These 100 percent recyclable homes could potentially provide a low-cost housing option that utilizes wood fiber residuals.

Employee or Independent Contractor Classification Under the Fair Labor Standards Act

On December 13, the Maine Forest Products Council joined 24 other forestry associations from around the country in submitting comments to the Department of Labor in response to a proposed rule regarding Employee or Independent Contractor Classification Under the Fair Labor Standards Act.

As drafted, the proposed rule would create significant confusion and uncertainty with the use of broad and arbitrary standards to classify workers as employees. This confusion would almost certainly have adverse impacts on worker availability in the industry and harm rural communities where contractors are a shared resource for forest owners.

[Click here to view our full comments.](#)



US FWS: Northern long-eared bat reclassified as Endangered under the Endangered Species Act

The U.S. Fish and Wildlife Service recently announced a final rule to reclassify the northern long-eared bat as endangered under the Endangered Species Act (ESA). The bat, listed as threatened in 2015, now faces extinction due to the rangewide impacts of white-nose syndrome, a deadly disease affecting hibernating bats across North America. The rule takes effect on January 30, 2023...

The change in status from threatened to endangered, when final, will nullify the prior 4(d) rule that tailored protections for the species when it was listed as threatened. The Service recognizes that the change to endangered status may prompt questions about establishing ESA compliance for forestry, wind energy, infrastructure and other projects in the range of the northern long-eared bat. We are committed to working proactively with stakeholders to conserve remaining northern long-eared bats while reducing impacts to landowners.

The Service has a strong foundation in place for working with stakeholders to conserve listed bats while allowing economic activities within the range to continue to occur. Since the species was listed as threatened in 2015, the Service has approved more than 22 habitat conservation plans (HCPs) that allow wind energy and forestry projects to proceed after minimizing and mitigating their impacts to northern long-eared bats. Several newly developed tools have been prepared to help guide project managers through consultation once the change in status takes effect, including an interim consultation framework to help prevent delay for projects already reviewed under the prior 4(d) rule and an online determination key for automatic project concurrence for many activities. We have also developed voluntary guidance for wind facilities to allow operation in a manner consistent with bat conservation, and voluntary timber management guidance to aid risk assessment and to avoid and minimize impacts to northern long-eared bats. Many transportation projects already have ESA compliance in place that will remain.

[Click here](#) to view the full press release.

MFPC Regulatory Calendar

Issue/project	Agency	Comment period deadline	Website
Review of Chapter 100 Forester Classifications and Code of Ethics	Professional Forester Licensing Board	Thursday, January 26, 2023	
RFP for the sale of energy, capacity, or renewable energy credits from qualifying heat and power projects pertaining to Versant Power and CMP	Maine PUC	Ongoing	Click here
Extended Producer Responsibility Program for Packaging	Maine DEP	Ongoing	Click here
PFAS in Products	Maine DEP	Ongoing	Click here

Forest Recovery Initiative phase two awards

- Louisiana-Pacific Corporation, Project Title: LP Houlton - Siding Line II, Award Amount: \$1,000,000, Aroostook County
- ND Paper Inc., Project Title: ND Paper Rumford Division PM15 Efficiency Improvements, Award Amount: \$1,000,000, Oxford County
- Bright Wood Corporation, Project Title: Bright Wood Corporation Waterville Project, Award Amount: \$1,000,000, Kennebec County
- Hancock Lumber Company, Inc., Project Title: Bethel Value Added, Award Amount: \$1,000,000, Cumberland, Oxford & Somerset counties
- GO Lab, Inc., Project Title: Capital Support for First U.S. Wood Fiber Insulation Plant, Maine, Award Amount: \$1,000,000, Somerset County
- ReEnergy Biomass Maine LLC, Project Title: Biochar Production, Award Amount \$523,900, Androscoggin & Franklin counties
- Robbins Lumber East Baldwin, LLC, Project Title: Better Utilization of the Eastern White Pine Resource through Implementation of Value-based Scanning, Award Amount: \$1,000,000, Cumberland County
- Stratton Lumber, Inc., Project Title: DDM (Single-Pass Small Sawline), Award Amount: \$1,000,000, Franklin County
- T&D Wood Energy LLC, Project Title: Acquiring two shuttered facilities and expanding existing facility to meet rapidly increasing demand, Award Amount \$600,000, York County
- Godfrey Forest Arizona LLC, Project Title: Godfrey Forest Maine OSB Mill, Award Amount: \$1,000,000, Androscoggin County
- Sappi North America, Inc., Project Title: Improvement of pulp and paper mill productivity at Somerset mill, Award Amount: \$1,000,000, Cumberland & Somerset counties
- Whole Trees, LLC, Project Title: Partnering to Repurpose and Reopen: Bringing innovative inventory systems, sales strategy, and production processes to existing Maine facility to meet proven East Coast demand for 'the Original Mass Timber,' Award Amount \$500,000, Aroostook County
- Biofine Developments Northeast, Inc., Project Title: BDNE - Industrial Biorefinery Development (BMP1), Award Amount \$500,000, Penobscot County
- DAAQUAM Lumber Maine, Inc., Project Title: Dry Kiln Replacement Project, Award Amount \$500,000, Aroostook County
- Maine Plywood USA LLC, Project Title: Maine Plywood Manufacturing Plant in Bingham, Award Amount \$500,000, Somerset County
- Turning Acquisitions LLC, Project Title: Expand WWTF's Reach with New Products and New Technology, Award Amount \$484,165, Oxford County
- Tanbark Molded Fiber Products, Inc., Project Title: Tanbark Medical Materials Market, Award Amount \$500,000, York County
- Clean Maine Carbon, LLC, Project Title: Clean Maine Carbon Biochar Plant, Award Amount \$500,000, Piscataquis County
- Standard Biocarbon Corporation, Project Title: Optimizing the Integration of a State-Of-The-Art Biochar Facility at a Lumber Mill to Create New Markets for Maine Residuals, Award Amount \$500,000, Cumberland & Penobscot counties

[Click here to view the full press release.](#)

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