



# Maine Forest Products Council

*The voice of Maine's forest economy*

## Testimony in Support of LD 2191

### **“An Act to Provide Relief to Small Businesses Affected by Severe Weather-related Events”**

Tuesday, February 13, 2024  
Krysta West, Deputy Director

Good afternoon, Senator Curry, Representative Roberts and members of the Committee on Innovation, Development, Economic Advancement and Business. I'm Krysta West of Readfield, Maine. I'm here testifying today as the Deputy Director of the Maine Forest Products Council in support of LD 2191, “An Act to Provide Relief to Small Businesses Affected by Severe Weather-related Events.”

The Council is appreciative of sponsors' intent for this bill, and we would like to ensure that our members, which include the pulp and paper mills, sawmills, secondary wood manufacturers, foresters, loggers and large landowners, have access to the \$50 million Small Business Weather Emergency Relief Program created by this legislation. Upon discussion with our members, it is apparent that many businesses that support the forest products industry, especially in western Maine and Washington County, sustained significant damage to infrastructure during the two severe weather events that occurred late last year. Extensive damage has caused road and trail closures that have a ripple effect to both the forest industry and the recreation and tourism industries that rely on access to private woodlands (90 percent of Maine's woodlands are privately owned).

In many cases damage will continue to be assessed through this spring as the snow melts, but it is already apparent that the scope of the damage inflicted by these two storms will take years to address. Attached, you will find images of some of the damage to our member companies.

The first exhibit attached to this testimony shows a sampling of the damage inflicted on one large landowner with holdings in both western and eastern Maine. The landowner is still in the process of assessing damage, but early estimates indicate more than \$340,000 in damage to infrastructure in western Maine alone. This figure is expected to rise significantly once road damage in eastern Maine and timber losses from blowdowns are assessed. As you will see, damage to private roads, bridges and culverts is extensive, with significant impacts on recreational opportunities in the region as well.

The second exhibit shows a sampling of the damage to infrastructure that another landowner in western Maine experienced. The first photograph is a bridge in the Rangeley area with extensive damage to the causeway and bridge on a route that is

#### Companies represented on the MFPC Board

A & A Brochu Logging  
American Forest Mgmt.  
Baskahegan Co.  
BBC Land, LLC  
Columbia Forest Prod.  
Cross Insurance  
Family Forestry  
Farm Credit East  
Fontaine Inc.  
H.C. Haynes  
Huber Resources  
INRS  
J.D. Irving  
Katahdin Forest Mgmt.  
Key Bank  
Kennebec Lumber  
LandVest Inc.  
Louisiana Pacific  
Maibec Logging  
ND Paper  
Nicols Brothers  
Pingree Associates  
Prentiss & Carlisle  
ReEnergy  
Richard Wing & Son  
Robbins Lumber  
Sappi North America  
Southern Maine Forestry  
Stead Timberlands  
St. Croix Tissue  
St. Croix Chipping  
TD Bank  
Timber Resource Group  
Timberstate G.  
Wadsworth Woodlands  
Wagner Forest Mgt.  
Weyerhaeuser  
Woodland Pulp

important to a number of landowners with active forest management. The cost of maintaining this bridge falls to several landowners, which further complicates the issue. Estimates and a plan of action are still in the works. The second photo is of a road with significant erosion on one side, making it unstable and unsafe for logging operations. The third photo is of a culvert that blew out, making the road impassable.

In many cases, the floods that resulted from these two storms not only destroyed roads bridges and culverts, but in some cases, permanently altered the flow of water, meaning that even if fixed, the existing infrastructure may no longer be adequate to reopen access.

The third exhibit shows some of the damage to the Woodland Pulp/St. Croix Tissue/St. Croix Chipping facilities in Baileyville from the December 18 storm, which totaled \$1.7 million. Damage to infrastructure, which included several roofs (\$1.29 million), siding (\$150,000), the destruction of 10 power poles (\$100,000) and more resulting in 21 hours without power, five days of lost pulp production and three days of lost tissue production, bringing the total impact to Washington County's largest employer to \$4.5 million.

While all three exhibits display damage to privately owned infrastructure, that infrastructure is necessary to support our \$8 billion forest industry. Our industry supports 33,500 jobs, paying \$1.8 billion in payroll annually. Much of this infrastructure also supports public access to private lands for recreational and tourism opportunities such as hunting, trapping, baiting, fishing, hiking, biking, snowmobiling and ATVing. In short, this infrastructure is critical to our rural economy and our way of life.

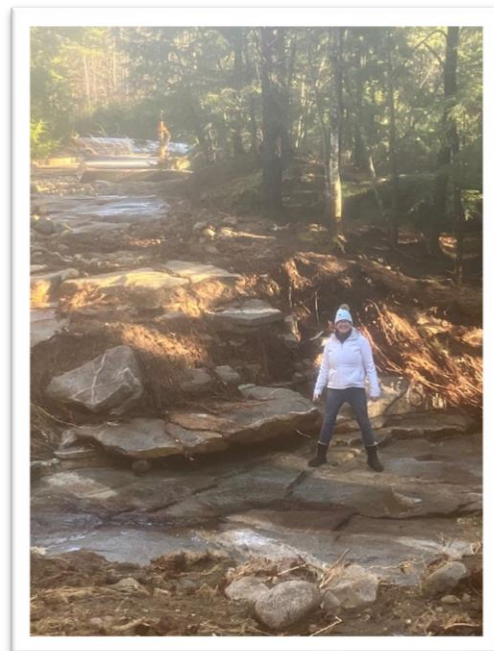
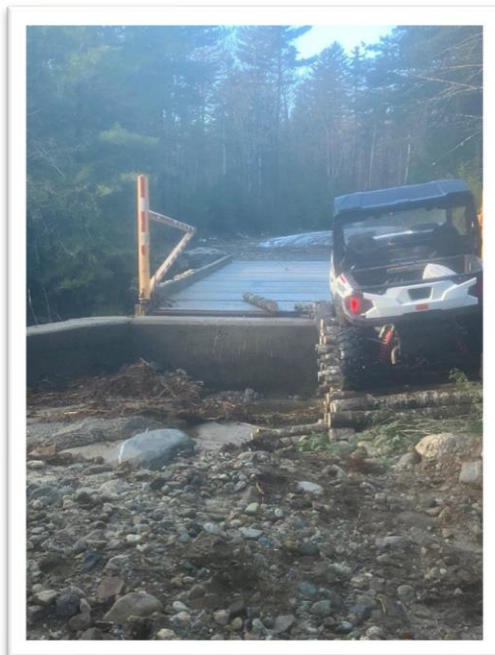
For these reasons, the Council asks that this program be made available to businesses within our industry that may be interested in applying to help offset the cost of repairs, and hopefully, regain access to vital areas sooner rather than later. Upon review of the legislation, 'small employer' is left undefined. The Council would recommend making this fund as inclusive as possible considering the scope of damage many Maine businesses experienced, both in the woods and on the coast.

Thank you for your consideration. I would be happy to answer any questions that you may have.

**Exhibit 1**



50ft bridge over Nash Stream in Coplin TWP washed out in December 18<sup>th</sup> storm. This bridge also services ITS 89, a main snowmobile and ATV trail between Eustis / Stratton and Rangeley.



Devil's Den bridge over Black Brook in Andover Maine. The road is completely gone (the individual picture above is standing where the road used to go) and the bridge needs structural assessment. Bear Hunting lease no longer has access.



73-00-0 Road in Osborn TWP, road washed after December 18<sup>th</sup>. Note the sign indicating the road is also an ATV trail.



Stud Mill Road is impassable in TWP32 after the December 18<sup>th</sup> storm. Numerous Bear Hunting Leases are accessed off Studmill Road.

Exhibit 2



Exhibit 2



**Exhibit 3**

<b>Preliminary Estimates for 12/18/23 Storm Damage</b>	
10 power poles destroyed on 69kV transmission line	\$ 100,000
Siding on #3 Brownstock High Density Tank	\$ 50,000
Roof destroyed on precipitator building	\$ 1,000,000
#9 Power boiler roof	\$ 250,000
Pulp Dryer roof doors	\$ 10,000
Bark Fence	\$ 75,000
Lime kiln roof damage	\$ 15,000
Miscellaneous siding damage	\$ 100,000
Chip blower building roof	\$ 15,000
#1 HD Valve house damaged	\$ 35,000
Road washouts	\$ 50,000
<b>Total</b>	<b>\$ 1,700,000</b>

<b>Business Interruption</b>	
*Entire mill was without any power for 21 hours.	
*5 Days of lost pulp production and additional costs	
*3 Days of lost tissue production and additional costs	
Pulp Mill lost opportunity	\$ 1,750,000
Additional energy costs	\$ 750,000
Tissu Mill lost opportunity	\$ 300,000
<b>Total</b>	<b>\$ 2,800,000</b>

<b>Total Impact to mill</b>	<b>\$ 4,500,000</b>
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**Exhibit 3**





Exhibit 3



Exhibit 3



Exhibit 3



Exhibit 3



Exhibit 3

