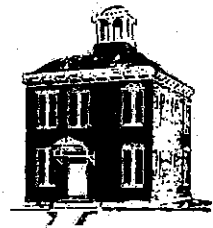


ALLEGANY COUNTY CHAMBER OF COMMERCE

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March 2, 2016

The Honorable Thomas M. Middleton, Chair
Senate Finance Committee
3 East Miller Senate Building
11 Bladen Street
Annapolis, MD 21401

Re: SB 867 – Renewable Energy Portfolio Standard – Eligible Sources

Dear Chairman Middleton:

The Allegany County Chamber of Commerce respectfully requests that the Finance Committee give an Unfavorable Report to SB 867 - Renewable Energy Portfolio Standard – Eligible Sources. The referenced legislation will negatively impact the Verso Corporation Luke Mill.

The Luke Mill has been in existence since 1888 and manufactures paper and labeling products. As a major employer and one of the last remaining manufacturers in Western Maryland, the Luke Mill provides family-sustaining wages to more than 750 employees. In addition, the Luke mill indirectly employs thousands of other individuals who provide the necessary raw materials and support services for the manufacturing operation.

In 2005, the Luke Mill was certified by the Maryland Public Service Commission as a Renewable Energy Facility for the Maryland Renewable Portfolio Standard. This certification was based on the acceptance of the mill's biomass as a qualified Tier I renewable energy resource, which sanctions the Luke Mill to generate and sell Tier I Renewable Energy Credits (RECs). The passage of SB 867 would result in the loss of this important revenue stream for a facility which is vital to our region. In addition to being a source of revenue, the RECs also help the Luke Mill meet Maryland's Tier I RPS requirements for its purchased electricity.

In a time where we are trying to put people back to work and improve Maryland's business climate, we urge the Finance Committee to strongly consider the long-term negative consequences that this legislation would have on the Luke Mill and other industries which provide good-paying jobs, directly and/or indirectly, to thousands of individuals before passing this legislation.

Thank you for your consideration.

Sincerely,

Jeremy G. Irons
Legislative Committee Chair

Stuart C. Czapski
Executive Director

cc: Honorable John C. Astle, Vice Chair, Senate Finance Committee
Senate Finance Committee Members
Western Maryland Delegation