

## RGGI Funds Help Maine Paper Mill Cut Costs and Improve Competitiveness



Source: <http://www.twinriverspaper.com/>

Twin Rivers Paper, born out of the reorganization of Fraser Papers after its bankruptcy, received four grants (totaling \$1.3 million) through Efficiency Maine's Competitive Incentive Program<sup>15</sup> to complete energy efficiency projects to reduce the company's operating costs and improve its competitiveness. Twin Rivers added another \$1.4 million to complete the projects.



RGGI funded two grants, which were used to upgrade nearly 40 high-efficiency drives throughout the facility, reducing electric consumption by 6 million kWh per year for the next 10 years. These energy savings are roughly equivalent to the electric use of 950 homes each year.<sup>16</sup>

The RGGI grants were in addition to two other grants funded by federal stimulus (ARRA) proceeds received by Efficiency Maine. These reduced the mill's oil use by about 1 million gallons of oil per year, enough to heat nearly 1,000 homes. By capturing waste steam from the papermaking process and reusing it to heat process water and the mill, the company expects to save approximately \$2 million in operating costs annually.

We are reinventing ourselves as a low cost specialty papers manufacturer," said Phil Nadeau, engineering manager. "Being a sustainable company means saving money on every front. We are a new company and these projects would not have happened without support from these grants." "The mill had a choice to buy 10 years of electricity supply at the market price or pay less than half as much for avoided electricity, and with Efficiency Maine's help Twin Rivers Paper was able to access the lower cost resource," said Ian Burns, program manager at Efficiency Maine. "Through a combination of Recovery Act and Greenhouse Gas Initiative funding, we are leveraging private investment to improve the business climate in Aroostook County and deliver lower cost energy."<sup>17</sup>

<sup>15</sup> Offered through Efficiency Maine, the Competitive Incentive Program targets large electrical efficiency and distributed generation projects with the goal of reducing electric consumption from businesses located in Maine and served by a Maine electric utility. Typical awards range from \$100,000 to \$500,000 per facility and are intended to leverage the recipient's own funding (50% of total project costs are typically funded by recipients). The program has received funds through the state electric system benefit charge, RGGI auction proceeds, ARRA proceeds, and from the Maine Power Reliability Program.

<sup>16</sup> According to the EIA, the average annual electricity consumption for a residential customer in Maine was 6,252 kWh in 2009. See <http://205.254.135.24/tools/faqs/faq.cfm?id=97&t=3> <http://www.efficiencymaine.com/at-work/business-programs/competitive-program>

<sup>17</sup> "ø\$1.3 M will saving Twin Rivers \$2 M annually," St. John Valley Times, December 15, 2010.