

To: Senate Finance Committee,

My name is Kelly Caldwell and I am an employee for Domtar Maine mill in Baileyville Maine. As I'm sure your aware our mill has been certified by the Internal Revenue Service as a fuel blender and such are eligible for a tax credit for each gallon of alternative fuel we produce. It is for this reason I email you today in opposition of ending the alternative fuel mixture tax credit early.

As being recently laid off for a 6 week period the tax credit program has been an important "lifeline" to the pulp and paper industry during some the most difficult times in our history.

The pulp and paper industry far outpaces every other industry in production and use of renewable power. However, until now we have largely been unable to take advantage of incentives for renewable power. Currently, restrictions exist in the Section 45 renewable electricity tax credit which disqualify renewable biomass power that is generated and consumed on site – a practice we employ here at Domtar. Meanwhile, those that compete with us for wood fiber, such as independent power producers and facilities that make cellulosic transportation fuels, benefit fully from Section 45 and other production tax incentives. We view the alternative mixture credit as helping to level the playing field while providing a needed boost to our mill – a mill that sustains good paying jobs in a rural community that depends on these jobs to drive economic activity in the area.

We ask your support in preserving the current Alternative Fuel Mixture Credit until the end of the year when it is set to expire, help perserve a rural community during these very difficult times.

Respectfully,

Kelly Caldwell
Domtar Employee

CC:

Honorable John E. Baldacci
Senator Susan M. Collins
Senator Olympia J. Snowe
Representative Michael E. Michaud