

Testimony of Andrew Gohn, Eastern Region Director of State Affairs American Wind Energy Association OPPOSE – Senate Bill 265 Before the Maryland Senate Finance Committee February 11, 2020

Chair Kelley, Vice Chair Feldman and Members of the Committee,

My name is Andrew Gohn and I am the Eastern Region State Affairs Director of the American Wind Energy Association, or AWEA. Thank you for the opportunity to testify today in opposition to Senate Bill 265 due the negative effects the legislation would have on wind energy development.

The American Wind Energy Association (AWEA) is the national trade association for the U.S. wind industry – the country's fastest growing energy industry. With thousands of wind industry members and wind policy advocates, AWEA promotes wind energy as a clean source of electricity for American consumers. As the premier organization representing the interests of America's wind energy industry, AWEA counts hundreds of organizations in its membership program. Our members are wind power project developers and parts manufacturers; utilities and researchers – organizations at the forefront of the wind energy industry.

AWEA recognizes the leadership this committee has shown in advancing renewable energy. We also are grateful to the Hogan administration for their work towards the state's clean energy goals. However, the bill as written would have serious adverse impact on the development of new renewable resources, including wind energy.

Per the fiscal note, "this Administration bill adds 'clean energy' to the Renewable Energy Portfolio Standard (RPS), removes some currently eligible combustion sources, and replaces them with large hydroelectric." Counting existing large hydroelectric plants toward the state's renewables commitment, without a commensurate and concurrent increase in those goals, would effectively be a significant step back for the state and would result in deployment of less new renewable energy than current law. While there is an increase in the requirement, it is not nearly sufficient to offset the sudden diversion of renewable funding into legacy. The standard in this bill would therefore represent a major step backwards in Maryland's commitment to renewable energy.

Maryland's RPS has been carefully developed by the General Assembly for many years to create a market for the incentivization of new renewable energy. It may be possible to transform that into a broader market that values legacy renewables like hydropower as well as other nonemitting resources. But to do so requires carefully balancing the value in the existing RPS renewables market to development of new resources, with the cost of maintaining existing resources. The standards in this bill do not represent that balance.

While maintaining existing zero-carbon generation is consistent with the state's climate goals, the General Assembly has wisely provided for separate tiers within the RPS to accommodate the distinct policy goals of both maintaining those legacy assets and driving investment in new renewable projects. Any restructuring of the RPS should keep the state's commitments to driving new clean energy deployment.

Thank you for the opportunity to testify before you this afternoon. AWEA looks forward to providing any resources or assistance this Committee may seek in evaluating opportunities to drive economic development, protect Maryland citizens' health and environment, and advance a sustainable and prosperous clean energy future for the state.

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