

50 Harry S. Truman Parkway • Annapolis, MD 21401 Office: 410-841-5772 • Fax: 410-841-5987 • TTY: 800-735-2258

> Email: rmc.mda@maryland.gov Website: www.rural.maryland.gov

Charlotte Davis, Executive Director

POSITION STATEMENT Senate Bill 265 – Clean and Renewable Energy Standards (CARES) Senate Finance Committee February 11, 2020

The Rural Maryland Council **SUPPORTS** Senate Bill 265 – Clean and Renewable Energy Standards (CARES). 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. The modified program is renamed the Clean and Renewable Energy Standard ("CARES").

The Council is in support of the CARES program because clean and renewable energy creates a healthier environment as it does not produces greenhouse gas emissions and limits types of air pollution; diversifies energy supply and reduces dependence on imported fuels; and, creates economic development and jobs which is beneficial for Maryland's economy.

Presently, this bill's clean energy is heavily focused towards nuclear, solar, wind, and hydroelectric power. While forest resource products are highlighted in the bill, such as qualifying biomass generating station and combined heat and power systems, the Council would like to see an increase in the use of biomass to generate energy for Maryland. Presently, the forestry industry is ailing, and such an emphasis could aid in the resurgence of this renewable resource.

According to the Maryland Forests Association, Maryland is behind other states and countries in developing woody biomass markets. With recent closures of local mills throughout the State, smaller, more diverse markets are needed. However, forest fragmentation makes timber management difficult. Oftentimes, loggers prefer to work in other neighboring states that are less restrictive, but permitting varies greatly from county to county. Incentives to develop the market could revitalize a struggling industry.

Encouraging the development of forest or resource-based products could help the state meet its green energy goals. Retention of existing markets is just as critical as new business development. Ensuring a healthy, vibrant forest industry by supporting and developing markets will help improve local rural economies.

Sustainably harvested wood and biomass can play an essential role in ensuring the environmental health of our State. The State has set significant goals in the Renewal Portfolio Standard. In order to meet those Renewal Energy goals, we will need to diversify the current generation with additional sources. Thermal energy, and the use of wood biomass are an efficient and clean technology.

The Council respectfully requests your favorable support of SB 265 and encourages an increase use of Maryland's renewable forests to achieve the CARES goals.

The Rural Maryland Council (RMC) brings together citizens, community-based organizations, federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to collectively address the needs of Rural Maryland communities. We provide a venue for members of agriculture and natural resource-based industries, health care facilities, educational institutions, economic and community development organizations, for-profit and nonprofit corporations, and government agencies to cross traditional boundaries, share information, and address in a more holistic way the special needs and opportunities in Rural Maryland.