

**To: The Honorable Brian Feldman
Education, Energy and the Environment Committee**

From: Bioenergy Devco

**Subject: Senate Bill 1074, Environment - Industrial Sludge Utilization Permit
- Establishment**

Date: March 5, 2024

Position: Favorable

Bioenergy Devco supports House Bill 991, Environment - Industrial Sludge Utilization Permit – Establishment.

This testimony is offered on behalf of Bioenergy Development Company (BDC), an international leader in anaerobic digestion solutions with over 25 years of experience. BDC’s exceptional team of engineers, microbial experts, biologists, chemists, agronomists, construction designers and facility managers are dedicated to delivering an environmentally sound solution that creates a true source of renewable, carbon-negative energy as well as a high nutrient soil amendment.

House Bill 991 establishes an industrial sludge utilization permit and prohibits a person from utilizing industrial sludge in the State unless the person obtains a permit. The bill requires the Department of the Environment to provide certain notices and information to local health departments, chair of the legislative body as well as the Executive of the local jurisdiction. Lastly, this legislation authorizes a representative of the Department to enter and inspect any site where industrial sludge is utilized.

BDC’s facility in Jessup processes approximately 130 tons of organic waste annually including dissolved air flotation (DAF) material. We would like to thank the sponsor of this legislation for working with all the stakeholders to make modifications in the bill that will improve its effectiveness.

Recent changes to the Maryland land application regulations further restrict application of DAF material. This will increase Maryland’s environmental gains in agriculture. Senate Bill 1074 will help address the social impacts of storing this material while it is awaiting final processing through new technologies and eventual land application. In 2023, the University of Maryland released its final report on the Maryland Animal Waste Assessment and Strategy Plan. This Plan was created to guide future Animal Waste Technology Fund (AWTF) awards administered by the Maryland

Department of Agriculture. The stated goal of the AWTF is “to encourage the development and implementation of economically feasible technologies that help protect public health and the environment by reducing the amount of nutrients from animal waste to enable farmers to meet nutrient management requirements and provide alternative animal waste management strategies to farmers.”

The report found reductions in greenhouse gas (GHG) emissions from implementing waste technologies such as anaerobic digestion. This reduced more than 100% of the GHG emissions from manure storage with renewable energy production, resulting in negative (sequestering). However, the study found barriers to adoption due to high capital costs, long lead times, limited subsidies, complex regulations, lack of technical expertise (to permit, operate, and troubleshoot), and social resistance (often due to lack of education). The report also cited the benefits of baseline methane emission reductions from manure storage and the non-intermittent renewable energy production that increases grid stability when employing anaerobic digestion are not internalized in Maryland’s current policies.

The use of these new technologies and better information on GHG emissions from land application is needed to accurately calculate reductions in GHG emissions that would occur if more animal waste technologies were employed to reduce the large movement of manure and DAF throughout the state.

It is our sincere hope that the Maryland General Assembly will continue to work with the Department of Agriculture, academic institutions, and supporting industries to develop incentives to address high capital costs and streamline complex regulations to reduce long lead times in deploying new technologies. Lastly, education is key in reducing social resistance to new technologies that allow Maryland agriculture to lead the nation in environmental stewardship and sustainable farming practices.

For these reasons, BDC respectfully requests a favorable report on Senate Bill 1074.

Please contact Aaron J. Greenfield at 410.446.1992, if you have any questions.