

## OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

March 7, 2024

TO: The Honorable C.T. Wilson

Chair, Economic Matters Committee

FROM: Marc Elrich

County Executive

RE: House Bill 166, Renewable Energy Portfolio Standard – Eligible Sources –

Alterations (Reclaim Renewable Energy Act of 2024)

Support with Amendment

I am writing to express my support for House Bill 166, the Reclaim Renewable Energy Act of 2024.

The Renewable Portfolio Standard (RPS) was established to encourage the development of clean, renewable, domestic sources of electricity generation like wind and solar. This bill will refocus the RPS by removing energy derived from waste from counting as Tier 1 renewable energy sources. This change will appropriately focus investment dollars on the development of wind and solar resources in our region.

Waste-to-energy is misaligned with the goal of the RPS. These systems are primarily designed to accomplish solid waste management, generating electricity as a by-product. Including waste to-energy as a Tier 1 resource under Maryland's RPS incentivizes these systems and could slow the development of cleaner and more truly renewable energy sources.

Removing waste-to-energy from RPS eligibility will result in a short-term financial impact to Montgomery County due to the loss of revenue from the sale of renewable energy credits. However, in the long term, this change will make a very meaningful difference toward meeting our climate and zero waste goals.

I am requesting one amendment to delay the application of this change to the Tier 1 list to July 1, 2025. This will create a brief transition period to help us avoid further increases in solid waste fees in fiscal year 2025 by allowing time for the County to explore cost savings opportunities that, if identified, could reduce future rate increases. I appreciate the Sponsor's agreement to support this amendment.

With the inclusion of the referenced amendment, I respectfully request that the Economic Matters Committee give this important bill a favorable report.

cc: Members of the Economic Matters Committee