



MARYLAND STATE & D.C. AFL-CIO

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**HB 98 - Electricity - Renewable Energy Portfolio Standard - Qualifying Biomass
House Economic Matters Committee
February 20, 2020**

OPPOSE

**Donna S. Edwards
President
Maryland State and DC AFL-CIO**

Chairman and members of the Committee, thank you for the opportunity to submit testimony in opposition to HB 98 - Electricity - Renewable Energy Portfolio Standard - Qualifying Biomass. My name is Donna S. Edwards and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members, I offer the following comments.

The closure of the paper mill in Luke has already had a devastating effect on the community in Allegany County. Over 600 directly employed workers were immediately unemployed, having to hunt down new employment that offers far lower wages and benefits, and requires hours of travel away from the community. Hundreds of secondary jobs in maintenance and transportation were eliminated, and tertiary jobs in providing goods and services to the workers and their families are struggling to stay open. The mill sustained the community and the community sustained the mill.

All hope is not lost. The company that owns the mill, Verso, is currently looking for a bidder on the property. A skeleton crew of 15 workers maintains the mill in good working order, to be able to get it up and running should a buyer purchase it and again start producing paper. Major improvements are being made to entice potential employers. HB 98 would make the plant completely unviable as a plant, thus rendering its value to any paper manufacturer null and void. This bill would be the final nail in the coffin for the plant, the workers, their families, and the town of Luke. According to the Department of Natural Resources final report in December of 2019 concerning the Renewable Portfolio Standard, one of the listed weakness of removing biomass from the RPS is that it *"Undermines potential return of paper industry to Maryland ...the return of the paper industry to the state would provide a variety of economic benefits"*¹.

Our energy policies should reflect a balanced approach. The need to address Climate Change is very real, and we need to do so in a way that retains Maryland jobs and grows our economy. Renewable energy policies are important for Maryland's future, and for Western Maryland and the Eastern Shore, that means biomass should remain a part of the state's programs for tradable renewable energy credits. Maryland's

¹ <https://dnr.maryland.gov/pprp/Documents/FinalRPSReportDecember2019.pdf>

paper mills help to provide Maryland rate payers with the lowest cost renewable energy that displaces fossil fuels in our state. Eliminating biomass as qualifying sources will take an important tool out of the state's tool box in our shared effort to recognize the economic, environmental, fuel diversity, and security benefits of renewable energy sources.

We ask for an unfavorable report on HB 98.