

Barbara Noveau, Executive Director, DoTheMostGood—Montgomery County

COMMITTEE: Finance

TESTIMONY ON: HB438 - Renewable Energy Portfolio Standard – Eligible Sources

POSITION: SUPPORT

HEARING DATE: February 20, 2020

BILL CONTACT: Delegate Nick Mosby

To: The Honorable Dereck E. Davis, Chair, Economic Matters Committee, and Committee

Members

DoTheMostGood—Montgomery County (DTMG) is a progressive grass-roots organization with more than 1600 members who live in a wide range of communities from Bethesda near the DC line north to Germantown and beyond, and from Potomac east to Silver Spring and Olney. DTMG supports legislation and activities that provide a safe and healthy environment for our members. In order to accomplish this goal, trash incineration must be removed from Maryland's Tier 1 Renewal Energy Portfolio Standards (RPS). Maryland has one of the highest rates of death from air pollution in the United States. Using dirty energy sources such as trash incineration harms the health of Marylanders, especially vulnerable populations such as the elderly, children, low-income communities, and communities of color. It also hinders our economy and contributes to climate change.

Maryland is the only state in the country that includes burning of trash in Tier 1 "renewable energy" and thus allows incinerator operators to receive millions of dollars in taxpayer subsidies from the state. Although we have a lot of trash, burning trash for energy is even worse for Marylanders' health and our climate than burning coal and oil. Burning trash releases 90% more greenhouse gas emissions per unit of energy than coal. Trash incineration also releases toxins, such as dioxins, furans and mercury, nitrogen oxides (NOx), and PM 2.5 (small particulate matter) into the air. NOx contributes to ozone pollution, which can cause chest pain, coughing, and increased risk of asthma attacks, and exposure to PM 2.5 can cause lung damage and increased risk of heart attacks. Furthermore, burning trash creates a toxic ash that still needs to be disposed of. Trash ash needs to be spread out in landfills to decrease the concentration of toxins that leach into the soil, so the ash actually takes up more landfill space than disposal of regular trash in landfills.

Wheelabrator's Baltimore Refuse Energy Systems Co. (BRESCO) incinerator and the Dickerson trash incinerator in Montgomery County are the two incinerators in Maryland that receive RPS subsidies. BRESCO is the largest source of air pollution in Baltimore, with its activities resulting in health and mortality costs of more than \$55 million a year. Studies have shown that living near BRESCO increases lung cancer risk as much as living with a smoker. The Dickerson incinerator is the largest polluter in Montgomery County, releasing 390,000 tons of air pollution and producing 180,000 tons of toxic ash per year.

Removing waste incineration from the RPS will not affect the contracts between Baltimore and BRESCO or the Dickerson incinerator and Montgomery County. BRESCO and the Dickerson incinerator were able to operate for decades before trash incineration was added to the RPS in 2011, and they can continue operating without the RPS subsidies. The loss of revenue to BRESCO and the Dickerson incinerator will not be borne by ratepayers, since the renewable energy credits (RECs) are a small fraction of BRESCO's operating costs and recent elimination of the Dickinson incinerator's debt service has lowered that incinerator's budget by much more than the value of its RECs.

SB560 will remove trash incineration from Maryland's RPS, so trash incinerators will no longer be able to sell RECs to Maryland electricity suppliers and receive unfair financial incentives. These RECs help to prop up trash incineration, make it more profitable, and stifle new clean energy development. Enactment of SB560 will ensure that RECs support truly clean energy and incentivize investment in solar, wind and other clean sources of renewable energy in Maryland. The result will be cleaner air and a cleaner environment and new clean energy jobs for Maryland citizens.

Therefore, DoTheMostGood strongly recommends a FAVORABLE report on SB560.

Respectfully submitted,

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