Assateague Coastal Trust – PO Box 731, Berlin, MD 21811 – 410-629-1538

Testimony Supporting HB11-Reclaim Renewable Energy Act

This testimony covers these three key points:

- **Problems with anaerobic digestors**
- **Incentivization of industrial scale poultry operations**
- **Impacts on residents and farmers**

March 4th, 2022

Dear Chair Wilson and Members of the Committee,

Thank you for this opportunity to submit testimony in support of **HB11** on behalf of Assateague Coastal Trust, the Waterkeeper program for the lower Eastern Shore of Maryland. ACT protects and defends the health of Delmarva's coastal waters through advocacy, education, science, and the enforcement of just and equitable clean water and air laws. We also serve as the community voice for the residents of Worcester, Wicomico, and Somerset counties. If enacted, HB11 will be vital for citizens of the lower Eastern Shore of Maryland.

Assateague Coastal Trust is very concerned with the growing amount of anaerobic digestors/ bio-gas facilities that are popping up on the shore as well as lower Sussex County Delaware. There is a growing misconception that these facilities are a win-win for the shore, marketing it as renewable, however, that couldn't be anymore false.

For one, biogas is primarily comprised of methane (the same greenhouse gas that makes up fracked natural gas). It includes waste methane from landfills, sewage treatment plants and factory farm livestock manure [i]. Biomethane proponents include natural gas companies, investor-owned utilities, industry trade groups like the American Gas Association, and Big Ag.[ii] These industries have an incentive to invest in and support biomethane because it can utilize existing fossil-fueled gas infrastructure while propping up industrial-scale factory farms. This is a win-win for energy companies because biomethane could either diversify their portfolios or keep their assets from becoming stranded. Concerningly, biomethane encourages the continued buildout of leaky gas infrastructure that locks in climate turmoil. Studies show that in 2015, leaks along the natural gas supply chain were approximately 60% higher than the U.S. Environmental Protection Agency inventory estimate. [iii]

As most Maryland legislators are aware, we have a manure problem on the shore. Biomethane from anaerobic digesters props up factory farms that produce a colossal amount of manure due to the large concentrations of chickens. What we've been hearing from Big Ag, natural gas companies and related industries is that anaerobic digesters are a remedy for managing factory farm waste. Digesters do not solve animal waste problems, and they do not reduce phosphorus or nitrogen levels in manure. The

"digestate"/ 'Bio-char" (the end-product of this process) still needs to be managed through practices such as field application. Overapplication of manure causes runoff, polluting waterways with nutrients like nitrogen and phosphorus which are already impacting our waterways and Chesapeake Bay. Additionally, sending animal waste to a digester does nothing to mitigate the significant air quality issues associated with factory farms.

What these companies are failing to mention, is that anaerobic digestors need to be continuously fed in order to make production profitable. This will only further incentivize the industrial scale poultry operations that have been putting small local farmers out of business for years and continue to harm vulnerable communities through air pollution and well contamination. We are already seeing the decline in family farms, and a concentrated number of industrialized facilities often purchased by foreign buyers and not hard-working Eastern shore residents who have lived here their entire lives. The farmers themselves will not see any benefit to these being built and will continue with their current hardships of having to shell out more money for updates and loans to further fill the pockets of the integrators.

In Delaware, Bioenergy Dev Co (BDC) entered into a 20-year contract with Perdue Farms to construct a $7 million anaerobic digestion system for biomethane.[iv] BDC, a global company backed by private equity, also teamed up with Chesapeake Utilities to flood its natural gas system with "renewable" natural gas.[v] This is the first time Chesapeake Utilities has looked to add biomethane to their network.[vi] The plan also includes pouring millions of dollars into gas tanker trucks to carry the biomethane to the 500-mile Eastern Shore Natural Gas pipeline network in Maryland.[vii]

Another impact no one has mentioned or focused on is how much traffic these large trucks are going to cause, especially in high tourism-based areas, as well as the impact on our roads. Maryland taxpayers will of course be fronting all the damage and wear and tear of our roadways while the industry reaps the benefits.

Because of the inclusion of these polluters in the Renewable Portfolio Standard, Maryland ratepayers paid over $30 million to buy Renewable Energy Credits from facilities that emit greenhouse gasses in 2020, and over $246 million since 2008. The Public Employees for Environmental Responsibility estimates that if nothing changes, those costs will mount to half a billion dollars subsidizing polluters by 2030. We need to be using taxpayer RPS funds to further assist real renewable energy sources to stay and grow in Maryland. Offshore wind is already creating lasting jobs here in the state, with hubs in Baltimore and Ocean city, as well as investing money into green infrastructure and non-profits to further their work in environmental education and conservation.

For all these reasons and more, we urge a favorable report on HB11.

Thank you for your consideration,

Gabrielle Ross, Assateague Coastkeeper
Assateague Coastal Trust

[i] Tanigawa, Sara. Environmental and Energy Study Institute (EESI). "Biogas: Converting Waste to Energy." October 2017 at 1; U.S. Environmental Protection Agency (EPA). "How does AD work?" Available at https://www.epa.gov/anaerobic-digestion/basic-informationabout-anaerobic-digestion-ad. Accessed April 2019. \

[ii] SoCalGas. "Biogas and renewable natural gas." Available at https:// www. socalgas.com/smart-energy/renewable-gas/biogas-andrenewablenatural-gas. Accessed December 2017; American Gas Association. "Securing a Role for Renewable Gas." August 31, 2010 at 1 to 4; Bates, Michael. "Bioenergy, Chesapeake Utilities partner to supply RNG." NGT News. June 5, 2020; Goldstein, Nora. "Smithfield Foods goes big on biogas." BioCycle. January 4, 2019.

[iii] Science. "Assessment of methane emissions from the U.S. oil and gas supplychain" Available at https://www.science.org/doi/10.1126/science.aar7204. Accessed March 1 2022;

[iv] Tabeling, Katie. "Chesapeake Utilities, Bioenergy DevCo reach renewable energy deal." Delaware Business Times. June 4, 2020; "Chesapeake, new operator of Perdue plant launch program to covert chicken droppings into natural gas," Delaware Business Times. June 4, 2020.

[v] Delaware Business Times (2020); Tabeling (2020); "Bioenergy DevCo secures US $106 million to grow North American AD market." Bioenergy International. August 13, 2019.

[vi] Tabeling (2020).
[vii] *Ibid.*