



Maryland Forests Association, Inc.

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Maryland's voice for forest, wildlife, and natural resource management

February 28, 2022

The Honorable C.T. Wilson, Chair
The Honorable Brian M. Crosby, Vice-Chair
Maryland House Economic Matters Committee
Room 231
House Office Building
Annapolis, Maryland 21401

Re: HB11- Renewable Energy Portfolio Standard- Tier 1 Source- Alterations (Reclaim Renewable Energy act of 2022)

Dear Chairman Wilson, Vice-Chair Crosby, and Members of the Committee,

The Maryland Forests Association represents a broad spectrum of forest industry businesses, landowners, forestry professionals, sporting groups, and concerned citizens. Our association, together with the organizations listed below, oppose HB11, "Reclaim Renewable Energy Act of 2022," and urge that it remains in the Committee. This bill, as written, would eliminate the future potential for thermal biomass systems to qualify for "thermal renewable energy credits" (TRECs) with severe implications for forestry, wood waste, and bioenergy operations. Here are our reasons for opposing the bill.

Energy from woody biomass serves Maryland in several ways. Specifically, this form of energy will help:

- **Reach Environmental Goals:** The 2030 Greenhouse Gas Emissions Reduction Act Plan (GGRA Plan) requires reducing GHG emissions by 50% before 2030. The GGRA Plan recommends replacing fossil fuel systems and deploying clean, renewable energy through the Renewable Energy Portfolio Standard such as Combined Heat and Power (CHP) systems and power plants that use qualifying biomass.
- **Support Energy Independence:** Currently, 75% of the energy consumed in Maryland is from fossil fuels, and 40% of its energy is imported. Woody biomass is sourced locally from abundant forest and urban wood waste, competitively priced, and has similar efficiencies.
- **Maintain and Improve Forest Stands:** Sustainable active forest management practices on private land are encouraged by providing landowners market for low-value, small diameter wood waste from logging and thinning. In addition, it provides an economic incentive for landowners to not only participate in forest management but also to retain ownership and resist conversion to other uses.
- **Increase Utilization:** Residues used in biomass energy systems are diverted from alternative methods of disposal that would have a far more significant impact on the environment, such as landfilling, which releases methane, or open burning, which has the same emissions as bioenergy but without filters or carbon capture technology.

Biomass energy provides Maryland taxpayers a sensible return on investment in their environment and community. Unlike fossil fuels, biomass energy must be sourced locally from forestry projects or urban wood waste. The price of biomass residues has been consistent over the years and does not fluctuate like the price of oil or gas. Expanding the biomass energy sector has also been found to support local economies, and job growth since money spent on wood residues will remain in the community, particularly in rural areas of the State.

Biomass energy would help Maryland achieve its goal for the GGRA Plan and is embraced by the Maryland Climate Change Commission (MCCC) as a sustainable energy solution to help reach net-zero GHG emissions economywide by 2045. The MCCC's

2021 Annual Report calls upon the State to “use waste from timber slash, thinnings for healthy and climate-adapted forest stand densities, urban tree management, the wood products industry, and untreated wood that would be recycled or landfilled for mid-sized combined heat and power systems or thermal-only systems.” The MCCC Mitigation Working Group (MWG) is currently studying the environmental and economic impacts of creating TRECs for only 100% thermally led woody biomass systems.

For biomass energy to continue having such a significant positive impact on Maryland, it should be included as part of Maryland’s RPS and continue to qualify for TRECs in the future. While biomass energy is already competitively priced compared to fossil fuels without RECs, removing it from the RPS completely not only disincentivizes a switch to renewables but creates and perpetuates a stigma against biomass energy.

Biomass energy is not in competition with wind or solar; eliminating biomass from the RPS will not encourage facilities to consider wind/solar over biomass, it will help maintain the status quo of fossil fuels. Biomass energy replaces heating oil, natural gas, and coal. Eliminating biomass from the RPS will not increase solar or wind because they have different ideal applications. However, increasing large-scale solar and wind requires significant amounts of land, leading to deforestation. Biomass energy requires that forests have been managed and grown in the past, there is ample forest wood waste, and that there will be healthy forests in the future.

In summary, HB11 will:

- Increase amount of waste (both wood and municipal) that is sent to landfills and/or trucked out of State to locations with less stringent environmental regulations for disposal, increasing methane emissions from landfills and CO₂ emissions from transportation
- Reduce jobs in sectors such as renewable energy, logging, transportation, chipping, waste management, and forestry
- Prevent Maryland from reaching its environmental goals by 2030 and beyond
- Preemptively disqualifies biomass from being considered for Thermal Renewable Energy Credits (TRECs), despite high efficiencies and stringent regulations, before the Maryland Climate Change Commission Mitigation Working Group completes its assessment

We respectfully request that the committee members give an UNFAVORABLE REPORT to HB11 and urge the Committee to continue to look for more sustainable options that encourage a diverse renewable energy portfolio while Maryland divests itself from fossil fuels, becoming energy independent.

In closing, our forests are our greatest renewable resource and deserve a place in Maryland’s RPS.

Thank you, and please feel free to contact me, Beth Hill, at 410-463-1755 or via email at beth@mdforests.org if you have any questions.

Sincerely,



Elizabeth D. Hill
Executive Director, Maryland Forests Association

And the Following Organizations:





ASSOCIATION OF FOREST INDUSTRIES, INC.

P.O. Box 501
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RMC
Rural Maryland Council



Eastern Shore
Forest Products, Inc.



THE GREATER CUMBERLAND COMMITTEE
ONE REGION · ONE VISION · ONE FUTURE



ALLIANCE
FOR GREEN HEAT
low carbon, renewable and local





AES Warrior Run - Cumberland MD



THE LAND GROUP



Delmarva RC& D

Dorchester County Forest Conservancy District Board

Somerset County Forest Conservancy District Board

Wicomico County Forest Conservancy District Board