

PO Box 2710 • Manassas, VA 20108-0875 • (703) 335-0500

TO:

The Honorable C.T. Wilson, Chair

Members, House Economic Matters Committee

The Honorable Vaughn Stewart

FROM:

Mike Dailey, Vice President, Energy & Business Development

DATE:

March 4, 2022

RE:

OPPOSE - House Bill 11 - Renewable Energy Portfolio Standard-Tier 1 Renewable

Source-Alterations (Reclaim Renewable Energy Act of 2022)

Northern Virginia Electric Cooperative (NOVEC) is a locally owned electric distribution system headquartered in Manassas, VA. NOVEC provides reliable electric service to more than 175,000 homes and businesses in Clarke, Fairfax, Fauquier, Loudoun, Prince William, and Stafford counties, and operates a biomass electric generating facility in Halifax County, Virginia. NOVEC opposes House Bill 11 for the reasons set forth below.

HB 11 would limit the definition of a Renewable Energy Portfolio Standard – TIER 1 Renewable Resource by excluding "waste-wood" biomass as a qualified biomass. The Maryland General Assembly correctly excluded black-liquor biomass in a previous session but taking that even further to exclude waste-wood biomass would be a grave mistake in terms of its impact on the forest industry, the environment, and the MD economy.

Waste-wood biomass is an important part of proper forest management and timber production and provides a mechanism to manage municipal yard waste instead of delivering the waste products to landfills or disposing of them through open-air fires. The burning of these woody waste products in open fires results in the release of uncontrolled pollutants including greenhouse gas constituents. In contrast, having these woody waste products delivered as fuel to a biomass facility results in a controlled burn action that reduces pollutants to acceptable air quality standards as well as providing desired renewable electricity.

The removal of wood waste from timbered lands allows the landowner to replant 100% of the land surface, helping to keep the forest heathy and viable. Additionally, the ash created from the combustion process can be captured and spread over agricultural lands and timbered lands as a soil amendment that acts as a liming agent and provides additional natural nutrients back into the soil. The application of this ash has been shown to increase the production of crops on fields where it has been applied as compared to those that had lime applied.

Finally, excluding waste-wood or biomass plants like NOVEC's in regions outside of MD will only serve to limit the availability of qualified renewable resources eligible to meet the MD RPS standards and TIER 1 renewable resource definition. This raises the likelihood of greater price volatility, market uncertainty, potential market power concerns and creates an even narrower approach to regional greenhouse gas emissions efforts on behalf of Marylanders and the Mid-Atlantic going forward.

For these reasons, NOVEC urges an unfavorable report on HB 11.

Business Center

Corporate Center

Technical Center

10323 Lomond Drive Manassas, VA 20109-3113 10432 Balls Ford Road, Suite 220 Manassas, VA 20109-2516 5399 Wellington Branch Drive Gainesville, VA 20155-4004