Committee: Economic Matters

Testimony on: HB718 –Renewable Energy Portfolio Standard – Eligible Sources –

Alterations (Reclaim Renewable Energy Act of 2023)

Organization: Individual

Submitting: Deborah Cohn, Bethesda, MD

Position: Favorable Hearing Date: March 9, 2023

Dear Chairman and Committee Members:

Thank you for accepting my testimony today in support of HB718, the Reclaim Renewable Energy Act, which would eliminate three greenhouse gas emitters from Tier 1 under Maryland's Renewable Portfolio Standard Program (RPS): trash incineration, factory farm methane, and woody biomass.

The Renewable Portfolio Standard (RPS) is intended to facilitate a transition to renewable non-fossil fuel sources of energy by providing these Tier 1 energy sources renewable energy credits (RECs) that qualify for ratepayer subsidies. Tier 1 currently includes three dirty "renewable" energy sources (1) trash incineration (often referred to as "waste to energy" or "refuse derived fuel," (2) factory farm gas (often referred to as biogas, anaerobic digestion of animal waste, or animal waste to energy); and (3) woody biomass. All three are "dirty" since they produce fossil fuels or significant air pollutants, including carbon emissions. All rely on combustion or anaerobic digestion of inputs that are continuously produced. But continuous production of the fuel source does not, by itself, justify ratepayer subsidy of the energy production process. There simply is no justification for ratepayers to subsidize through charges on their utility bills more fossil fuels or energy generation processes that emit greenhouse gases and other pollutants.

Since 2008, Maryland ratepayers have spent over \$200 million on RECs from dirty energy sources and processes misclassified as "renewable." Money spent propping up these dirty energy sources is not available to encourage truly renewable pollution free energy.

HB718 would not close down any "dirty" energy production facilities or bar new "dirty" facilities if they are financially viable without ratepayer subsidies. HB718 would just eliminate these misplaced subsidies.

Trash incineration: Prior to 2011, trash incineration had been in Tier 2 of the RPS, designed to sunset by 2019. In 2011, it was elevated to Tier 1 to ensure continued ratepayer subsidy of existing and proposed incinerators. While concerted local opposition blocked several proposed incinerators, significant ratepayer funds are still propping up incinerators in Baltimore and Montgomery County as well as in Lorton, VA. Residents in these Maryland counties are trying to close their incinerators and successfully advocating for aggressive waste reduction strategies, several of which are being implemented. Trash incineration pollutes more per unit of energy than coal and contributes significantly to air pollution that causes cancer, cardiovascular and respiratory disease.

Factory farm waste: Anaerobic digestion of animal and poultry waste produces "biogas" (primarily methane). Burning methane produces CO₂ and other pollutants, and methane, when it leaks from pipelines, is an even more potent greenhouse gas than CO₂. A 2-15% leak rate from the major biogas projects on the Eastern Shore could release up to 5,187 metric tons of methane per year, comparable to the greenhouse gas emissions from almost 100,000 gas-powered cars.

No such facilities currently exist in Maryland, but industry is proposing to build several large facilities on the Eastern Shore. These proposals are being met with stiff local opposition. Proponents claim anaerobic digestion gets rid of animal waste from concentrated animal farm operations which, if applied to fields, would run off into waterways. But anaerobic digestion actually worsens the problem. It leaves behind a nutrient-rich digestate that must still be disposed of, but the nitrogen, phosphorous and other nutrients in the digestate have become more water soluble, giving them a greater potential, when applied to fields as a fertilizer, to move into local streams and ultimately into the Chesapeake Bay. These dissolved nutrients would damage the health of the Bay, undermining the local economy dependent on fisheries and tourism.

Woody biomass: Facilities that burn wood, wood waste products and plant materials qualify as biomass under the RPS. Maryland's woody biomass subsidies mostly go to out-of-state sawmills and paper mills burning their own products to power their own operations. Biomass facilities emit high levels of particulate matter (PM), nitrogen oxides NOx, carbon monoxide (CO), sulfur dioxide (SO₂), lead, mercury and other hazardous chemicals. And all the sequestered carbon in the tree waste gets released, not over time, but <u>immediately</u> upon combustion, turning a carbon sink into a massive carbon emitter. Including woody biomass in Tier 1 energy squanders our ratepayer subsidies, spending them out-of-state on significant fossil fuel emitters.

We must stop subsidizing dirty energy. Accordingly, I urge the Committee to issue a **FAVORABLE** report for HB718, the Reclaim Renewable Energy Act.