



Enviva Inc.
7272 Wisconsin Avenue
Suite 1800
Bethesda, MD 20814 USA
+1 (301) 657 5560
fax (301) 657 5567
www.envivabiomass.com

March 6, 2023

The Honorable C.T. Wilson
Chair, Economic Matters Committee
Maryland General Assembly
Annapolis, Maryland 21401

The Honorable Brian M. Crosby
Vice Chair, Economic Matters Committee
Maryland General Assembly
Annapolis, Maryland 21401

RE: House Bill 0718 (HB0718)

Dear Chair Wilson and Vice Chair Crosby:

Thank you for the opportunity to submit testimony on House Bill 0718 (HB0718).

Maryland-based Enviva is the world's largest producer of industrial wood pellets, which provide a sustainable, scalable and renewable alternative to fossil fuels. Wood pellets can also be used in hard-to-decarbonize industries, like lime and steel, and for sustainable aviation fuel to lower these end products' lifecycle greenhouse gas emissions.

Enviva has nearly 200 associates based out of its corporate office in downtown Bethesda; many of our associates live in Maryland and contribute to the region's economy. Enviva's manufacturing and shipping operations are spread from Virginia to Mississippi at over a dozen locations and support more than 4,000 jobs, generating approximately \$3 billion in annual economic activity. Enviva is laser-focused on mitigating the effects of climate change, one of the most challenging issues of our time, by providing a renewable, dispatchable, alternative to fossil fuels.

Enviva is submitting these comments opposing the current form of HB0718 because it seeks to remove woody biomass from Maryland’s Renewable Energy Portfolio Standard -- this action would be inconsistent with leading climate science and the policies of other leading economies.

According to U.S. Forest Service FIA data¹, only approximately 3% of the timber lands in the states where Enviva sources wood is harvested each year. Enviva augments the productivity of working forests by purchasing the parts of the harvested wood that are generally not utilized in other higher-value markets, such as the tops and limbs of trees, crooked or diseased trees, slash, understory, and thin tree lengths. Without a market like ours, low-value wood would be left as waste in the forest or burned instead of displacing fossil fuels. While Enviva is a small part of the forest products industry, we play an important role in our sourcing region by creating a market for sustainable low-value wood that encourages good forest stewardship and incentivizes forest landowners to replant and keep their land as forests.

HB0718 is contradictory to internationally recognized science from the United Nation’s Intergovernmental Panel on Climate Change (IPCC). The IPCC Sixth Assessment on Climate Change Impacts, Adaptation, and Vulnerability² released last year, continues to recognize sustainable forest management and bioenergy as essential climate solutions. IPCC scenarios show that the use of biomass and bioenergy is critical to all pathways that limit temperature rise to 1.5°C.

HB0718 is also in conflict with the net-zero strategy outlined by President Biden, which specifically identifies biomass as critical to decarbonizing the energy sector.³ Additionally, the recently passed Inflation Reduction Act (IRA) expands and extends federal tax credits for electricity and liquid aviation fuels (SAF) created from biomass; HB0718 runs counter to this recently enacted federal legislation.⁴ Furthermore, biomass is a significant source of renewable energy in the European Union (majority share of the EU’s renewable portfolio), the United Kingdom, Japan, and elsewhere, because of a strong scientific foundation for its use.

Decarbonizing aviation fuel with the development of scalable SAF technologies is a goal of the Biden Administration; the Administration has kicked off the *SAF Grand Challenge* “which intend[s] to accelerate the research, development, demonstration, and deployment needed

¹ [FIA EVALIDator](#)

The 3% harvested value represents the acreage of forest land that has been harvested in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Virginia compared to the total acreage of forested lands in these states in the USFS FIA database.

² IPCC, 2022: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. In Press.

³ United States Department of State and the United States Executive Office of the President, 2021: The Long-Term Strategy of the United States. Pathways to Net-Zero Greenhouse Gas Emissions by 2050. Page 47.

⁴ <https://biomassmagazine.com/articles/19252/house-passes-inflation-reduction-act>

for an ambitious government-wide commitment to scale up the production of SAF to 35 billion gallons per year by 2050. A near-term goal of 3 billion gallons per year is established as a milestone for 2030.”⁵ To reach the Administration’s goal by 2050 they are arguing for an “all-of-the-above” approach which includes “the collection and use of currently nonmarketable woody biomass.”⁶ HB0718 runs counter to the goal of SAF development.

In-line with the latest science and with the policies of other leading economies, Enviva urges Members of the Committee to oppose HB0718.

Thank you for your consideration. We are happy to discuss this matter in greater detail.

Sincerely,

A handwritten signature in black ink that reads "Jason Eberstein". The signature is written in a cursive, flowing style.

Jason Eberstein
Vice President, Government Relations

⁵ <https://www.energy.gov/eere/bioenergy/sustainable-aviation-fuel-grand-challenge>

⁶ <https://www.energy.gov/sites/default/files/2022-09/beto-saf-gc-roadmap-report-sept-2022.pdf> Page 12