



# Maryland Forests Association, Inc.

P.O. Box 332

Linkwood, MD 21835

410-463-1755

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

March 6, 2023

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

Re: HB718- Renewable Energy Portfolio Standard- Eligible Sources- Alterations (Reclaim Renewable Energy Act of 2023)

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 and the organizations listed below oppose HB718, "Reclaim Renewable Energy Act of 2023," and urge that it remains in the Committee. This bill, as written, would eliminate the future potential for biomass systems to qualify for "renewable energy credits" with severe implications for forestry, wood waste, and bioenergy operations. The opposition to wood energy is often based on misconceptions that biomass systems are "dirty" and cannot meet Maryland's stringent air quality standards or question the sustainability of the wood supply. Neither of these claims is factual. So 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 forests and urban wood waste that is competitively priced and has similar efficiencies.
- **Maintain and Improve Forest Stands:** Sustainable active forest management practices on private land are encouraged by providing landowners a market for low-value, small-diameter wood waste from logging and

thinning. In addition, it provides an economic incentive for landowners to participate in forest management, retain ownership, and resist conversion to other uses. "The forest that pays, stays."

- **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 with 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 remains 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 2022 Annual Report recognizes the value of biomass energy. It suggests, "The General Assembly should also modify requirements for woody biomass-to-energy systems to qualify for TRECs during the time before the new renewable thermal energy program takes effect. Low-value woody material from a forest management action with a net positive carbon benefit should be included to support healthy and climate-adapted forest composition and sustainable urban tree management" We support their findings and look forward to helping implement them. However, immediately removing TRECs from the RPS will foreclose those opportunities.

**For biomass energy to continue having such a significant positive impact on Maryland, it should remain 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 disincentivizes a switch to renewables and 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 markets provide a means for better forest management leading to increased forest health.

**There has been a significant development regarding biomass energy and renewable energy credits of which the Legislature may not be aware.** In December, Maryland's Public Service Commission approved renewable energy credits for a forest products facility that uses biomass to generate heat instead of using fossil fuels. This is the first such decision in the state. These marketable credits open the door for greater utilization of urban waste wood and low-value or poor-quality trees for which there is generally no market. We now need to explore the potential that this decision offers. HB718 would immediately extinguish any interest in doing so.

**In summary, HB718 will:**

- Increase the 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 CO<sub>2</sub> 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.
- Foreclose opportunities provided by the recent PSC decision to approve RECs for thermal biomass systems.

We respectfully request that the committee members give an UNFAVORABLE REPORT to HB718 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](mailto:beth@mdforests.org) if you have any questions.

Sincerely,



Elizabeth D. Hill  
Executive Director, Maryland Forests Association

**And the Following Organizations:**





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





AES Warrior Run - Cumberland MD

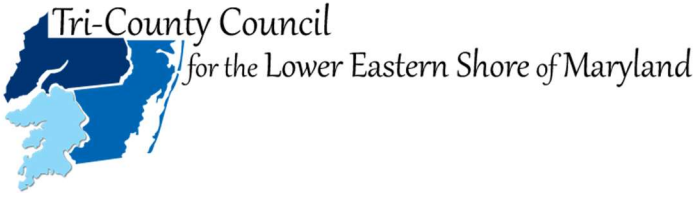
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THE LAND GROUP



THE  
CONSERVATION FUND





**Delmarva RC& D**

**Dorchester County Forest Conservancy District Board**

**Somerset County Forest Conservancy District Board**

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