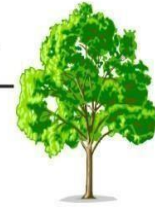




ASSOCIATION OF FOREST INDUSTRIES, INC.



P.O. Box 501
Huntingtown, Maryland 20639

March 8, 2023

THE HONORABLE CHAIRMAN AND MEMBERS OF THE HOUSE ECONOMIC MATTERS COMMITTEE

OPPOSITION: HOUSE BILL 718 Renewable Energy Portfolio Standard – Renewable Energy Portfolio Standard – Eligible Sources – Alternations

The Association of Forest Industries serves as the voice of Maryland's forest products industry at the State and local level. And we are strongly opposed to HB 718 for reasons abbreviated herein.

Enactment of HB 718 would undermine, among other things, Maryland's **2030 GGRA Plan** and Maryland's nationally acclaimed **Sustainable Forestry Act of 2009**.

file:///C:/Users/billm/Downloads/2030GGRAPlanExSum01272021.pdf
https://mgaleg.maryland.gov/2009rs/bills/sb/sb0549t.pdf

*Relevant Excerpt from Maryland's **2030 GGRA Plan**:*

Carbon Sequestration on Natural and Working Lands

In addition to reducing GHG emissions from sources throughout Maryland, the 2030 GGRA Plan includes measures to pull more CO₂ out of the atmosphere through improved management of Maryland's forests and farms. Forests store large amounts of carbon both above ground and in the soil...

Improved Forest Management and Tree Planting

Maryland's forests play an important role in mitigating GHG emissions and actions are being taken by the State to enhance this conservation practice. ***Enrolling previously unmanaged forests into sustainable management regimes enhances forest productivity which increases rates of carbon sequestration in forest biomass and the amount of carbon stored in harvested durable wood products. Increasing forest management has economic benefits and results in additional availability of renewable biomass for energy production.*** The 2030 goals for managing Maryland forests are to provide sustainable forest management on 38,000 acres of private land annually, ensure greater than 50% of State-owned forest lands will continue to be third-party certified as sustainably managed, support forest markets that keep land in forest use, and provide sustainable for multiple benefits on other State lands where possible. In addition to managing existing forests many new trees are planted in the State every single year. These plantings expand the State's forest cover and stores of carbon by regenerating or establishing healthy, functional canopies and forests utilizing practices such as soil preparation, erosion control and supplemental planting. By 2030, the goal is to achieve afforestation or reforestation of 68,530 acres in Maryland, including 4.6 million trees. The 2030 GGRA Plan also includes planting 2.65 million urban trees, for a total of 7.25 million trees planted by 2030.

Relevant Excerpts from the **Sustainable Forestry Act of 2009**

WHEREAS, A sustainably managed forest system also helps to promote domestic renewable energy production and clean green energy produced in-State from biomass, including forestry residues, which are vital, not only to securing energy independence, smaller trade deficits, economic growth, and clean air and water, but also to facilitating compliance with the 2010 goals of the Chesapeake 2000 Agreement, the nutrient reduction goals of the Water Quality Improvement Act of 1998 and the land conservation goals of the 2007 Forestry Conservation Initiative.

NR §5-102: The General Assembly finds..."Forests and trees are key indicators of climate change and can mitigate greenhouse gas reductions by carbon sequestration...Forests are a renewable resource that help the State meet its renewable energy goals that are consistent with the State's (1) green power goal for State facilities; (2) Renewable Energy Portfolio Standard; (3) Healthy Air Act; and (4) Maryland Clean Energy Incentive Act of 2006...It is the policy of the State to promote renewable energy policies and markets with increased emphasis on the use of in-State produced woody biomass."

SECTION 8. AND BE IT FURTHER ENACTED That Maryland's green power goal for procurement of renewable energy by State government be met, to the extent practicable, through the provision of financial and other incentives intended to promote in-State production of renewable energy, **with due consideration afforded biomass-fueled facilities.**

IN THE FINAL ANALYSIS, State law and climate change advocates mutually recognize the environmental benefits of woody biomass in helping Maryland meet its many green policy goals. Yet, there are no public-owned woody biomass-fueled facilities in Maryland, absent the Eastern Correctional Institution (Somerset County) which is slated for conversion to natural gas, aka a fossil fuel. Enactment of Senate Bill 590 will close the door to renewable energy production from Maryland's most available, affordable, and abundant renewable energy source, aka wood. Maryland's forest community is working tirelessly to secure such a wood-fueled facility, especially in Western Maryland given the recent closure of the Luke Mill in Allegany County. We are hopeful common sense will ultimately prevail. However, enactment of Senate Bill 590 will help make sure that no such facilities are ever built, thus a policy clearly inconsistent with the 2030 GGRA Plan and the RPS mandate.



Where is it written that only wind, solar, hydro, and geothermal constitute clean energy sources? We made this clear during the 2021 Session when the General Assembly was about to include "mill residues" in "black liquor" with the latter's exemption via Chapter 65, among other things, from the definition of "qualifying biomass" under RPS. And look no further than New England to realize that thermal biomass systems heat/cool many of their schools, aka *Fuels in Schools*. Ask the DNR Forest Service about the volume of woody biomass statewide that could be used for in-State energy generation, especially wood waste destined today for the landfills.

And pray tell, how can Maryland expect to meet Maryland's statutory mandate of achieving "net-zero statewide greenhouse gas emissions by 2045" (Chapter 38, Acts of 2022) plus meeting its RPS mandated goals with exclusive reliance on wind, solar, hydro, and geothermal? Though Maryland has no wood fueled energy facilities today does not mean we won't tomorrow...look no further than then 2022 JCR Report promoting a forest-fueled biomass project for public schools in Western Maryland. If the General Assembly truly wants to close the door on thermal biomass, then enactment of Senate Bill 590 will do the trick. It makes no sense in view of the **2030 GGRA Plan** and the **Sustainable Forestry Act of 2009**, not to mention so much more than space and time constraints herein preclude but will most likely be made by other impacted stakeholder groups. Sincerely,

William R. Miles, Advocate