Testimony Supporting SB0590
Senate Education, Energy, and the Environment Committee
February 28, 2022

Position: SUPPORT

Dear Chair and Members of the Committee,

Clean Water Action urges a favorable report on SB590, the Reclaim Renewable Energy Act. This legislation eliminates trash incineration, factory farm methane, and woody biomass from Tier 1 of the Renewable Portfolio Standard. Together, the ten facilities that are currently subsidized within these three categories take up about one tenth of MD's RPS; in 2020, they profited $17 million from MD's RPS. Every year this legislation does not pass, $17 million is wasted on polluters instead of supporting real renewable energy. If we set Maryland on a path to 100% "renewable" energy before fixing this, the losses will be even worse.

The preamble of the legislation that created the RPS in 2004 said that it was created because the benefits of renewable energy include "long-term decreased emissions" and "a healthier environment." These three energy sources do not deliver on this problem: they increase net emissions and emit pollutants that create a less healthy environment for communities in Maryland and across our regional grid. The passage of SB590 will mean that the subsidies ratepayers are currently contributing to the ten facilities in the trash incineration, factory farm methane, and woody biomass categories will be redirected toward the remaining Tier 1 energy sources: things that actually deliver on the RPS's promise to develop renewable energy, decrease long-term emissions, and help create a healthier environment for Maryland communities.

Because of our work to support communities across Maryland that have fought or are fighting against trash incinerators and to develop Zero Waste infrastructure like compost facilities, we would like to bring the committee's attention to reasons why trash is not a renewable resource and why incinerating or manufacturing fuel from trash is not renewable energy and should not be included in the Renewable Portfolio Standard. In parallel, many of the same concerns translate directly to the issue of producing energy from factory farm waste. Using energy subsidies within the waste management sector tends to favor the options that pollute more over the options that pollute less. In order to decrease emissions in the long term, the state of Maryland must stop subsidizing the solid waste management options we do not want more of, so that the better alternatives can compete fairly and thrive.

1. **RPS subsidies for trash incineration were originally intended to sunset in 2019.**

In 2004, Maryland passed legislation to create our Renewable Portfolio Standard. When the legislation creating Maryland's Renewable Portfolio Standard passed in 2004, trash incineration was included as a Tier 1 energy provider. As a tier two energy provider, these subsidies were

supposed to stay stagnant at 2.5% of the market with an eventual phase out in 2019 - a recognition that trash incineration is not as desirable or valuable as truly renewable energy like wind and solar power. However, in 2011, the incinerator industry mounted an intense effort to move trash incineration to Tier 1 as two new proposed incinerators were on the horizon in Maryland: one in Frederick serving Frederick and Carroll Counties, and a second one in South Baltimore. The two proposed incinerators were ultimately rejected by the communities they targeted, due to the high pollution levels and high financial burden the incinerators would have brought. However, trash incineration remained in the RPS as a legacy of those failed projects, in the more highly subsidized, permanent Tier 1 category. In the original design of the RPS, subsidies for trash incineration would have phased out before 2023.

2. **The trash incinerators currently receiving RPS subsidies were built and operated before the RPS was created.**

Two Maryland incinerators currently receive RPS subsidies, and both were built and operated well before the RPS was created and they became eligible for subsidies, either in Tier 1 or Tier 2. Baltimore City's BRESCO incinerator was built in 1985, and Montgomery County's incinerator at Dickerson was built in 1995. Both operated for many years before the RPS was created and they became eligible for RPS subsidies, so removing the subsidies is not a bait and switch on the part of the state - both facilities were built to be profitable without subsidies. These incinerators can operate without Maryland's RPS subsidies and will still be allowed to sell their energy and to charge for burning trash. All this legislation does it stop giving them the extra subsidy of the Renewable Energy Credits, which they did not have when they were built, and in the original design of the RPS program were not destined to have now.

3. **Subsidies for trash incineration have not created new Maryland jobs, while subsidies for truly renewable energy have created thousands of Maryland jobs.**

Since no new trash incinerators have been built in Maryland since the Renewable Portfolio Standard was created - thanks to local opposition to new facilities based on the climate change and local air quality impacts of the incinerators that were proposed, as well as the enormous costs that would have been imposed on the counties - the subsidies given to trash incineration have not created new jobs for Maryland residents, since the jobs at Maryland's incinerators existed before the RPS was created.

In contrast, the truly renewable energy that will receive more subsidies when SB590 passes has created many new jobs for Maryland residents since the RPS was created. RPS subsidies for offshore wind alone - let alone the other truly renewable sources of energy - have already created thousands of jobs in Maryland. According to the Maryland Energy Administration, "Maryland's total offshore wind market (Round 1 and Round 2) stands at 2,022.5 MW which should provide enough electricity to power about 600,000 average homes. These projects are estimated to create more than 12,000 direct full time equivalent (FTE) jobs during the development and construction

phase and more than 3,000 direct FTE jobs during the 20 - 30 year operations and maintenance phase. These projects will support Maryland's growing offshore wind supply chain and result in at least $1.5 Billion of in-state expenditures including investments of $40 million for port infrastructure, $76 million for steel fabrication, $150 million for monopile foundation manufacturing, $140 million for subsea cable manufacturing, and $100+ million for a turbine tower manufacturing. Both project developers have committed to small, minority, woman, and veteran owned business participation goals of 15% (US Wind) and 29 % (Ørsted) during project development." The RECs that represent truly renewable, emissions-free energy create vastly more jobs than exist in incineration, and the Maryland RECs currently subsidizing trash incineration should be redirected toward expanding these energy sectors even further.

Although RPS subsidies cannot go directly toward more environmentally friendly methods of waste disposal that do not create energy, it is noteworthy that those methods are also better job creators than trash incineration is. According to the Institute for Local Self-Reliance, per ton of waste processed in Maryland, composting already "employs two times more workers than landfilling, and four times more workers than incineration. On a per-capital-investment basis, for every $10 million invested, composting facilities in Maryland support twice as many jobs as landfills and 17 more jobs than incinerators." A similar study projected that within three years of increased recycling rates, "Baltimore could have 500 new direct jobs in this sector of the city's economy;" overall, recycling and composting yield five to ten times more jobs than trash incineration. Likewise, for every 10,000 tons of materials that are managed through reuse programs, 75 to 250 jobs are created. When Maryland transitions to more environmentally-friendly methods of waste disposal, more jobs will be created.

4. **Trash incineration harms the climate, harms the health of nearby communities, and does not meet the goals of the RPS program**

When incinerators burn trash, they emit more greenhouse gasses per unit of energy generated than even coal, the dirtiest of fossil fuels. In 2015, the Wheelabrator Baltimore incinerator emitted roughly double the amount of greenhouses gasses per unit of energy produced, on average, by each of the 7 coal plants located in Maryland. The Dickerson trash incinerator in Montgomery County produces 500,000 tons of greenhouse gasses that contribute to climate change. Much of the thermal output and therefore electricity produced by incinerators comes from plastic waste, meaning that trash incinerators are ultimately burning fossil fuels. Plastic is a petroleum product, so incinerators are essentially burning fossil fuels. This is a major source of GHG emissions: each ton of plastic burned results in the release of 1.43 tons of CO2, even after energy recovery. The process of incinerating trash creates an especially dangerous set of compounds called dioxins, declared by the World Health Organization as a known human carcinogen; dioxins are also linked to diseases of the immune system, endocrine system, nervous system, and reproductive system. Trash incineration does not fulfill the promise of "long-term increased emissions" and "a healthier environment" - quite the opposite.

5. **Subsidizing trash incineration tilts the scales against the development of better solid waste management methods that can actually achieve net-negative emissions.**

Contrary to the goals of the Renewable Portfolio Standard program, subsidizing trash incineration can actually increase net emissions from the solid waste sector by comparatively disincentivizing the development of composting, recycling, and other methods of waste diversion. Composting is the real champion of climate action in the solid waste sector: taking the very same waste that emits carbon dioxide in incinerators or methane in landfills and processing it into healthy soil amendments that actually sequester carbon in the soil, as the EPA describes here. Holistic changes to the solid waste management system through waste separation, recycling, and composting can transform the waste sector into a net negative source of GHG emissions, according to "Zero Waste to Zero Emissions," a report by the Global Alliance for Incinerator Alternatives. Introducing better waste management policies such as waste separation, recycling, and composting could cut total emissions from the waste sector by 84% or more than 1.4 billion tonnes, equivalent to the annual emissions of 300 million cars - or taking all motor vehicles in the U.S. off the road for a year. A combination of such strategies can even produce deeper emissions reductions than waste sector emissions. When there is such tremendous opportunity for decreased emissions in the solid waste sector using methods other than trash incineration, subsidizing incineration with "renewable energy" subsidies is especially backwards.

Conclusion

Trash is not a renewable resource, as it consists of organic waste that could be composted, plastic waste made from fossil fuels, and other materials made of finite resources. Energy created from trash is not renewable energy, and subsidizing energy production from trash incentivizes methods of waste management that are the worst for the environment over those that are the best, and withholds subsidies from the truly renewable, emissions-free energy that we need.

Please pass the Reclaim Renewable Energy Act and redirect the money subsidizing trash incineration, factory farm methane, and woody biomass to the truly renewable energy that we actually need to fight climate change, drive down emissions long-term, and create a healthier environment.

Thank you,

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