



March 11, 2025

**HOUSE ECONOMIC MATTERS COMMITTEE**  
**HB 1417 – Department of General Services – Clean Energy Procurement Program –**  
**Establishment**

**Statement in Support**

Chesapeake Utilities Corporation (“Chesapeake Utilities”) **SUPPORTS** the provisions contained in HB 1417, which seeks to require the Maryland Department of General Services (“Department”), in consultation with the Maryland Green Purchasing Committee, the University System of Maryland and the Maryland Clean Energy Center, to establish a Clean Energy Procurement Program for the purchase of biogas.

Chesapeake Utilities operates natural gas local distribution companies that serve approximately 32,000 customers on Maryland’s Eastern Shore in Caroline, Cecil, Dorchester, Somerset, Wicomico, and Worcester Counties. These public utilities are regulated by the Maryland Public Service Commission and have provided in the coldest months of the year safe, reliable, resilient, and affordable service in the state for decades. As a company, Chesapeake Utilities serves as a positive and informed resource in the ongoing energy and climate change discussions and a driver of economic development and increased employment opportunities. Moreover, Chesapeake Utilities is committed to continuing being part of the solution as Maryland addresses greenhouse gas emissions.

**HB 1417 Can Help the State Achieve its Climate Goals.** HB 1417 can help the State achieve its net-zero statewide greenhouse gas (“GHG”) emissions reduction goals by creating a biogas program that will evaluate the economic benefits and costs of procuring biogas to offset traditional natural gas. Biogas is an energy solution that is clean, reliable, and environmentally friendly. Biogas is a fossil-free natural gas that is produced from the anaerobic digestion of naturally occurring sources such as food waste, manure, and other animal/plant-base materials to create biogas. The biogas is then upgraded and cleaned to a pipeline-quality gas that is fully interchangeable with traditional natural gas and can be injected into a public utility’s gas distribution system. Biogas can also be used as a transportation fuel to replace diesel or gas for vehicles. Because biogas captures methane emissions from waste streams that break down and emit methane, which is a naturally occurring GHG, biogas is considered a carbon neutral fuel and can be used to offset GHG emissions.

**Biogas is A Proven Renewable Fuel Technology.** To effectively address the State’s environmental challenges, while driving continuing economic development and increased employment opportunities, Maryland needs to use a diverse portfolio of energy solutions and resources that can work together now and affect measurable change quickly. Biogas reduces the impacts of organic wastes, while also fueling a clean, reliable renewable energy future.



Currently there are 885 biogas facilities across the Nation that are either operational, under construction or planned.<sup>1</sup>

Additionally, numerous states in the nation, including Virginia, have passed biogas related laws to produce and utilize biogas in their gas distribution system.

**Chesapeake Utilities Owns Planet Found.** Chesapeake Utilities owns Planet Found Energy Development ("Planet Found"), a Maryland-based facility formed by scientists, farmers and businesspeople in cooperation with the University of MD Eastern Shore and University of MD College Park. Planet Found is partially funded through grants from the Maryland Energy Administration. Located in Worcester County and in operation since 2017, Planet Found operates a farm-scale anaerobic digestion and nutrient capture system that produces a nutrient-rich soil conditioner, sold under the brand Element Soil, and biogas. Planet Found spent years researching and developing a technology surrounding the anaerobic digestion of poultry litter. This is the first Renewable Natural Gas (RNG) facility in the United States utilizing biogas from the anaerobic digestion of poultry litter. This success supports the expansion of the technology across the country, improving the sustainability of the natural gas and poultry industries.

On behalf of Chesapeake Utilities Corporation, and our thousands of employees and their families who contribute every day in the communities where they live, work and serve, we respectfully request an favorable vote on HB 1417.

Sincerely,

Chesapeake Utilities Corporation  
Steve Baccino, Governmental Affairs Director  
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<sup>1</sup> [Renewable Natural Gas Projects & Policy | RNG Coalition](#)