

To: The Honorable C.T. Wilson

House Economic Matters

From: Bioenergy Devco

Subject: House Bill 1417, Department of General Services - Clean Energy

Procurement Program - Establishment

Date: March 13, 2025

Position: Favorable

Bioenergy Devco supports House Bill 1417, Department of General Services - Clean Energy Procurement Program – Establishment.

This testimony is offered on behalf of Bioenergy Devco, an international leader in anaerobic digestion solutions with over 24 years of experience. BDC's exceptional team of engineers, microbial experts, biologists, chemists, agronomists, construction designers and facility managers are dedicated to delivering an environmentally sound solution that creates a true source of renewable, carbon-negative energy as well as a high nutrient soil amendment.

The Clean Energy Procurement Program established by House Bill 1417 will enable the state to procure biogas, a clean and renewable energy source, for use in the transportation and building sectors. By promoting the use of biogas, this program will help reduce Maryland's reliance on fossil fuels, decrease greenhouse gas emissions, and support the state's climate commitments. House Bill 1417 requires the Department of General Services to consult with the Maryland Green Purchasing Committee, the University System of Maryland, and the Maryland Clean Energy Center in establishing the program. This collaborative approach will ensure that the program is well-designed, effective, and aligned with the state's broader sustainability goals. Furthermore, we appreciate the bill's emphasis on evaluating the environmental and economic benefits and costs of replacing fossil natural gas with biogas. This analysis will provide valuable insights into the effectiveness of the program and inform future policy decisions.

Biogas is a vital component of a comprehensive clean energy strategy. Biogas is a renewable energy source produced from organic waste materials, offering numerous environmental, economic, and energy-related benefits. From an environmental perspective, biogas production reduces greenhouse gas emissions by capturing and utilizing methane from decomposing waste. This process also contributes to waste management by diverting organic waste from landfills and minimizing pollution.



Furthermore, the byproduct of biogas production, known as digestate, serves as a nutrient-rich soil amendment, improving soil and plant health while decreasing the need for chemical fertilizers.

In addition to its environmental benefits, biogas production has significant economic advantages. It creates jobs in the renewable energy sector and provides farmers and businesses with an additional income stream by converting waste into energy. Biogas also supports decentralized energy production, enabling local communities to generate their own energy and reducing reliance on non-renewable sources.

The establishment of a Clean Energy Procurement Program, as outlined in House Bill 1417, will play a crucial role in promoting the use of biogas in Maryland. By authorizing the Department of General Services to enter into contracts to procure biogas, this bill will help stimulate the development of a robust biogas industry in our state. We are particularly pleased that the bill requires the Department to consider the social cost of greenhouse gases and the state's climate commitments when issuing solicitations for biogas contracts.

We also appreciate the bill's emphasis on data collection and analysis, which will help evaluate the effectiveness of the program and identify opportunities for expansion. The requirement for the University System of Maryland to complete a carbon lifecycle analysis of biogas will provide valuable insights into the environmental and economic benefits of biogas production.

The establishment of a Clean Energy Procurement Program will be a significant step forward in promoting the use of biogas in Maryland, reducing greenhouse gas emissions, and supporting a more sustainable energy future.

For these reasons, Bioenergy Devco requests a <u>favorable report</u> on House Bill 1417.

Please contact Aaron J. Greenfield at 410.446.1992, if you have any questions.