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Date: March 7, 2025
To: Members of the House Committee on Economic Matters
From: Grayson Middleton, Government Affairs Manager
Re: HB 1417 - DGS Clean Energy Procurement Program – Establishment

Delmarva Chicken Association (DCA) is the trade association representing the meat-chicken growers, processing companies, and allied business members on the Eastern Shore of Maryland, the Eastern Shore of Virginia, and Delaware. We support HB 1417 and urge a favorable committee report.

HB 1417 would establish the Clean Energy Procurement Program within the Department of General Services, which would investigate the costs and benefits of biogas and allow for a pilot procurement program for this clean-burning renewable energy source.

The chicken community has been a leader in sustainability among agricultural enterprises for over three decades. We were among the first group in the region to widely adopt solar energy and were among the first to seriously study and implement ways in which our waste and byproducts could be minimized and reused. Chicken litter, which was once a nuisance for poultry farmers, is now a widely sought-after and easily profitable fertilizer. Perdue Farms pioneered the development of one of the first manure-pelletizing plants in the country, whereby chicken litter was processed into dry pellets for use as fertilizer by farmers and home gardeners. This product was shipped around the country and diverted tons of chicken litter from the region. Unfortunately, it never turned a profit, and that Seaford, Delaware facility is once again serving as ground zero in the region for a new and exciting technology that will once again (albeit more efficiently) turn waste into a valuable product through anaerobic digestion. This technology also has major potential for the Maryland chicken community.

We at DCA fully support the use of anaerobic as just one of many possible tools for food and animal waste, particularly from poultry processing plants. This technology has been proven as an energy-efficient process whereby waste is converted into clean-burning natural gas and nutritious soil amendments. This is also a green technology. Anaerobic digestion diverts waste from treatment plants and landfills and reduces the need to obtain natural gas from other sources, such as fracking.

For more than 20 years, anaerobic digestion has been successfully implemented throughout the European Union and receives substantial incentives both from the EU and its constituent nations as a renewable energy source. As of 2016, there were approximately 17,500 anaerobic digestion plants throughout the EU, with most of them in Germany. These countries have seen significant decreases in food and animal waste going to landfills and treatment plants, and the product is widely regarded as a green and even preferable alternative to commercial fertilizer.

Anaerobic digestion is still in its infancy in the United States, and only a handful exist in Maryland. However, its future as an environmentally friendly by-product management and carbon reduction tool is promising. To encourage the widespread adoption and proliferation of this green energy source, Maryland has the opportunity to study its benefits and make these findings public. Furthermore, by



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starting the pilot procurement program, the State will not only reduce greenhouse gas emissions but also set an example for private industry, further encouraging the adoption of this technology.

We urge a **favorable** vote on HB 1417.

Should you have any additional questions, please feel free to contact me at middleton@dcachicken.com or 410-490-3329.

Sincerely,

Grayson Middleton