

February 28, 2022

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB0903 –Renewable Energy Portfolio Standard – Qualifying Biomass and Thermal Biomass Systems

Dear Chairwoman Kelley:

The Allegany County Chamber of Commerce respectfully urges your support of SB0903 – Renewable Energy Portfolio Standard – Qualifying Biomass and Thermal Biomass Systems. This bill is simply asking for wood energy to be clearly decoupled from animal manure when applying to Thermal Renewable Energy Credits (TREC)s. Wood energy is a small part of Maryland’s current Renewable Energy Portfolio Standard (RPS) but provides significant benefits to the environment, reduces dependency on fossil fuels, and helps the local economy by investing in Maryland energy production and jobs. Additionally, it has been recognized by entities such as the U.S. Environmental Protection Agency and the Intergovernmental Panel on Climate Change as an immediate solution to decarbonize our fuel supply.

Creating Thermal Renewable Energy Credits is crucial to renewable energy in Maryland because:

- Reach Environmental Goals: The 2030 Greenhouse Gas Emissions Reduction Act Plan (GGRA Plan) requires reducing GHG emissions by 50% before 2030. The GGRA Plan recommends replacing fossil fuel systems and deploying clean, renewable energy through the Renewable Energy Portfolio Standard such as Combined Heat and Power (CHP) systems and power plants that use qualifying biomass.
- Support Energy Independence: Currently, 75% of the energy consumed in Maryland is from fossil fuels, and 40% of its energy is imported. Wood residues are sourced locally from abundant forest and urban wood waste, competitively priced, and have similar efficiencies.
- Maintain and Improve Forest Stands: Sustainable active forest management practices on private land are encouraged by providing landowners market for low-value, small diameter wood waste from logging and thinning. In addition, it provides an economic incentive for landowners to not only participate in forest management but also to retain ownership and resist conversion to other uses.
- Increase Utilization: Residues used in wood energy systems are diverted from alternative methods of disposal that would have a far more significant impact on the environment, such as landfilling, which releases methane, or open burning, which has the same emissions as bioenergy but without filters or carbon capture technology.
- Develop a Resilient System: Wood energy is the most efficient in thermal applications and can be accessed on demand. These qualities complement other forms of renewable energy, such as solar and wind, which are the most efficient at generating electricity and have intermittent access.

- Invest in Maryland: Creating TRECs for wood energy would achieve immediate legislative actions recommended by the 2021 Maryland Forestry Economic Adjustment Strategy and the 2022 Task Force on the Economic Future of Western Maryland.

Thank you for considering a **favorable report for SB0903**.

Sincerely,



Jeremy G. Irons
Legislative Committee Chair



Juli R. McCoy
Executive Director

cc: Honorable Brian J. Feldman, Vice Chair, Senate Finance Committee
Senate Finance Committee Members
Allegany County Delegation