



**Testimony in Opposition to House Bill 363
Clean and Renewable Energy Standard (CARES)
House Economic Matters Committee | February 28, 2020**

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The Chesapeake Climate Action Network (CCAN) Action Fund strongly opposes House Bill 363, legislation that masquerades as a path to 100% clean electricity by 2040, but in reality would make Maryland ratepayers subsidize dirty electricity and make it harder for renewables like wind and solar to expand. Governor Hogan's CARES energy plan is nothing short of false advertising.

CCAN Action Fund and our grassroots network throughout Maryland is dedicated to achieving a net zero greenhouse gas emission economy by 2045, as is recommended by the United Nations Intergovernmental Panel on Climate Change (IPCC). To create this future, we must invest in frontline and historically disadvantaged communities, protect workers, create good-paying union jobs, and result in greater wealth and income equality.

Not only does our electricity sector make up about 30% of the state's climate pollution, but it is the key to reducing emissions in the other two large sources of greenhouse gases: transportation and buildings. Climate scientists have championed the concept of "electrify everything" as a way to eliminate the use of fossil fuels to power our cars and heat our buildings. But "electrify everything" is dependent on a zero emissions electricity grid.

The General Assembly took a huge step forward when it passed the Clean Energy Jobs Act last year, requiring 50% clean electricity by 2030. The legislation included a study, due back to the General Assembly in 2023, to examine how the state could reach 100% clean electricity by 2040. According to the National Council of State Legislatures, California, Colorado, Hawaii, Maine, Nevada, New Mexico, New York, Washington State, Washington, D.C., and Puerto Rico have passed 100% clean electricity requirements.

CARES would not just halt the General Assembly's progress in joining these other states. It would prevent us from ever getting there. When you look beyond the Governor's press release headline, his legislation subsidizes large hydroelectricity, combined heat and power (CHP), new nuclear, and fracked gas and biomass with carbon capture and storage (CCS) technology.

In a briefing before the House Transportation and Environment Subcommittee on January 16, Maryland Environment Secretary Ben Grumbles, a member of the Hogan Administration, indicated that both CCS technology and new nuclear modular reactors would not be reliable before 2030 and possibly 2040. It is premature, to say the least, to put ratepayer-funded subsidies in place for technology that the Hogan Administration admits is currently unreliable.

There is great skepticism within the climate science community about the CCS technology that the fossil fuel industry claims can capture emissions and store them underground. According to Stanford Civil and Environmental Engineering Professor Mark Jacobson, “The technology reduces just about 10.8 percent carbon equivalent emissions over a 20-year time frame and about 20 percent over a 100-year time frame. At the same time, it increases air pollution and land degradation compared with no carbon capture by up to 50 percent.” It is hard to see how carbon capture is anything other than cigarette filters for fossil fuels -- a public relations ploy to continue profiting from dire externalities.

That leaves existing combined heat and power and large hydroelectricity, which would immediately be eligible for subsidies under CARES. According to the U.S. Department of Energy, there are 46 CHP facilities in Maryland: 85% run on fracked gas, 11% run on biomass gas, and 4% run on coal. All of them are climate polluters and none of them can be objectively considered clean. It is also unclear if the hydroelectricity boosted by CARES is clean. A 2019 study from the Environmental Defense Fund found that emissions vary depending on vegetation in the hydro facility reservoirs, where in many cases both methane and carbon dioxide can form and be released. The state should assess whether the 3,200 megawatts of hydroelectricity made available for subsidies in this bill, most of which are out-of-state, are generated at facilities that create greenhouse gas pollution.

CCAN Action Fund does support two important provisions in CARES: the removal of black liquor and trash incineration from the RPS. The legislature has known for quite some time that neither electricity generator is clean nor renewable. While we welcome the governor’s support for eliminating these pollution subsidies, we urge the Committee to move stand alone bills enacting these changes: HB98 sponsored by Chairman Davis and HB438 sponsored by Del. Mosby.

When the General Assembly passed the Clean Energy Jobs Act last year, you included \$15 million in funding for job training and to support small, minority, women, and veteran-owned businesses in the clean energy industry. This was an initial down payment on an equitable and just transition to a clean energy future, especially for impacted workers, neighborhoods that rely on fossil fuel jobs, and frontline and historically under-supported communities. CARES does nothing to build on these first steps to create a fairer energy economy.

CCAN Action Fund urges the Committee to ignore the distraction that is HB 363.

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