



February 28th, 2022

To: Senate Finance Committee

From: The Southern Maryland Agricultural Development Commission (SMADC)

Re: Support of SB903 – Renewable Energy Portfolio Standard – Qualifying Biomass and Thermal Biomass Systems

As Director of the Southern Maryland Agricultural Development Commission (SMADC), a division of the Tri-County Council for Southern Maryland, I am urging you to support SB903 – Renewable Energy Portfolio Standard – Qualifying Biomass and Thermal Biomass Systems.

The forestry industry is key to the Maryland economy. Forestry grows food and fiber, creates hundreds of products and materials, supports the environment, and builds careers. Nearly 40% of Maryland is forested. As the single largest land use in the state, forests are vital to the health of the Chesapeake Bay and offer numerous environmental and economic benefits.

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 for several reasons:

It supports 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.

It assists in maintaining and improving local forest stands, as 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.



In 2017, the statewide forestry industry directly contributed about \$4.2 billion and supported 18,046 jobs in the Maryland economy. In Southern Maryland, forestry businesses contribute over \$585 million to the state economy, supporting more than 3,000 jobs. Forests provide much-needed employment and economic sustainability for our rural communities, additionally many climate experts believe that a responsibly managed forest offers one of the best and least expensive ways to mitigate climate change by sequestering carbon and using carbon-neutral renewable energy. Forests also provide a viable timber market, incentivizing landowners to retain and care for their trees ensuring the overall health of their forests and habitat for wildlife.

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.

Therefore, we support SB903 – Renewable Energy Portfolio Standard – Qualifying Biomass and Thermal Biomass Systems.

Sincerely,

Shelby Watson-Hampton
Director, Southern Maryland Agricultural
Development Commission (SMADC)

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