

MARYLAND DEPARTMENT OF THE ENVIRONMENT

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Martin O'Malley Governor

Anthony G. Brown Lieutenant Governor

March 4, 2014

The Honorable Thomas M. Middleton Members of the Senate Finance Committee 3 East Senate Office Building Annapolis, MD 21401

## Re: Letter of Support: Senate Bill 734 – Renewable Energy Portfolio Standard – Qualifying Biomass

Dear Senator Middleton and Committee Members:

The Maryland Department of the Environment (MDE or "the Department") has reviewed Senate Bill 734 and would like to express its support for this legislation. The Greenhouse Gas Reduction Act of 2009 (GGRA) requires a 25% decrease in GHG emissions below a 2006 baseline by 2020. The Renewable Energy Portfolio Standard (RPS) is an important component of the plan the State has developed to accomplish this goal.

Currently, Maryland allows for a number of different energy sources to qualify as renewable sources of energy, even if the energy generation emits high levels of  $CO_2$ . This conflicts with the overall goal of the GGRA and runs counter to the State's efforts to increase the use of energy sources that emit no or low amounts of  $CO_2$ . In addition, the vast majority of the carbon-intensive facilities that qualify under the RPS were built decades ago and do not contribute to reducing overall  $CO_2$  emissions below current levels. The only way these facilities can help lower current overall emission levels is if they were to switch to a lower carbon intensity fuel or build new facilities that use fuels having lower carbon intensity.

While the RPS policy allows any qualifying technology to be used for compliance, narrowing qualifying sources to favor low-or no-carbon energy sources could help drive additional GHG emissions reductions. Senate Bill 734 would remove one of the sources that emits high levels of  $CO_2$  from Tier 1 of the RPS, which is consistent with the goals set forth in the Greenhouse Gas Reduction Act of 2009.

Thank you for your consideration of this information as you review SB 734. Please contact me at 410-260-6301 or by email at jeffrey.fretwell@maryland.gov if you would like to discuss this issue further.

Sincerely,

Section

Jeffrey Fretwell

Cc: George (Tad) S. Aburn, Jr., Director, Air and Radiation Management Administration

Robert M. Summers, Ph.D. Secretary