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February 7, 2017

The Honorable Kumar Barve
Maryland House of Delegates
Chair, Environmental & Transportation Committee
6 Bladen Street
Annapolis, MD 21401

Re: Support with amendments for House Bill 0171

Dear Chairman Barve:

On behalf of the American Biogas Council, I am pleased to submit this letter of support, and urge you to support with amendments House Bill 0171 "Department of the Environment – Yard Waste and Food Residuals Diversion and Infrastructure – Study." The bill, especially with a few amendments, will gather the knowledge desired to best prepare Maryland for increasing the state's infrastructure to recycle organic material. Our requested amendments are enclosed with this letter and represent the views of many organizations named in HB0171 with whom we've already been collaborating.

In case you are not familiar, the American Biogas Council is the only national trade association representing the entire biogas industry in the U.S. The ABC represents over 200 companies covering the entire biogas supply chain who are dedicated to maximizing the production and use of biogas from organic material, including many companies in Maryland and interested in doing business here.

We believe that organic material should be recycled like glass, metal, paper and plastic and HB0171 is a viable first step to increasing Maryland's ability to do that. There are only two ways to recycle organic material: 1) composting or 2) biogas systems. With biogas systems, the industry we represent, not only do they recycle organic material into valuable soil products, like compost, biogas systems also generate constant renewable energy and create an opportunity to extract nutrients—an issue critical to the Chesapeake Bay watershed. When nutrients, like phosphorus, have been extracted from the digested material that comes out of a biogas system, then the proper amounts of nutrients can be used on

Maryland cropland and excess nutrients can be transported and sold outside the watershed, where they are needed.

From experience, we know that increasing organics recycling in Maryland, using biogas and compost systems, will provide a long list of societal, economic and environmental benefits. Maryland ranks #28ⁱ among U.S. states for methane production potential from biogas sources. Currently Maryland has 25 operational biogas systems. We see the potential for more than 38 new biogas projects to be developed. Constructing this many projects would generate \$114 million in capital investment, and create 950 short-term construction jobs, 76 long-term jobs, and numerous industry-supporting jobs. If fully realized, these biogas systems could produce enough electricity to power 164,477 homes (1.9 billion kWh) or enough renewable natural gas to fuel 275,820 vehicles. They would also collectively reduce greenhouse gas emissions by the equivalent of 9 trillion tons of carbon dioxide, the same as growing 35 million tree seedlings for ten years or the amount 1,169,190 acres of U.S. American forest sequester each year.

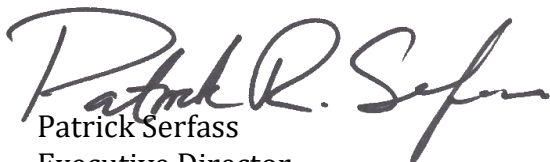
To realize those benefits, we must encourage more organics recycling which in turn will encourage the development of the infrastructure to do the recycling—namely, the construction of new biogas and compost systems. Six other states already have state-wide organics recycling policies in place to do this and we need this bill to take the next step in that direction. Specifically, the study outlined in this bill will help us understand: exactly how Maryland should benefit from more organics recycling; how policies to increase recycling should be tailored to Maryland based on what has and has not worked in other states; and who will be impacted first. Done well, this bill will lead to industry investments that will create jobs, better waste management, renewable energy, healthy soils and better nutrient management to protect our watersheds.

If you want to realize these benefits for Maryland, you must pass HB0171 with the amendments enclosed. Those amendments represent the consensus suggestions from a large portion of the groups named in HB0171 and we would be happy to work with this committee as well to add them to HB0171. Conducting the study in this bill is a sensible first step to developing Maryland's organics recycling infrastructure. Maryland, its citizens and businesses want to be as informed as possible of the benefits and costs of increasing recycling and this bill will create the study to do just that.

We urge your support with amendments of House Bill 0171.

Thank you for your prompt action on this matter and please do not hesitate to contact us if you have any questions,

Sincerely,


Patrick Serfass
Executive Director

ⁱ ABC Maryland State Profile
https://www.americanbiogascouncil.org/State%20Profiles/ABCBiogasStateProfile_MD.pdf

PROPOSED AMENDMENTS TO HB 171

AN ACT concerning

Department of the Environment – Yard Waste and Food Residuals Diversion and Infrastructure – Study

FOR the purpose of requiring the Department of the Environment, in consultation with certain persons, to study, review, explore, identify, and make recommendations regarding certain matters that relate to the diversion of yard waste and other organic materials from refuse disposal facilities, including certain infrastructure; requiring the Department to report its interim and final findings and recommendations to the Governor and the General Assembly on or before certain dates; and generally relating to yard waste and food residuals diversion and infrastructure.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That:

(a) The Department of the Environment shall:

(1) study the diversion of yard waste, and food residuals, and other organic materials from refuse disposal facilities in the State, including any State laws or regulations governing the diversion of yard waste or food residuals;

(2) study the laws and regulations of other states, including but not limited to MA, CT, VT, CA, and RI, governing the diversion of yard waste or food residuals to identify best practices that can be applied to Maryland;

(3) review the status of infrastructure for the diversion of yard waste, and food residuals, and other organic materials in the State and other states, including the availability of infrastructure in relation to:

(i) large generators of food waste, identified by type, quantity of food waste generated by entity, and geographic distribution; and

(ii) organizations that use surplus food, identified by type and geographic distribution;

(4) explore ways to promote composting of yard waste and food residuals and other methods of organic waste reduction and diversion, including ways to encourage:

(i) a decentralized and diverse infrastructure, and

(ii) the prevention of organic waste generation;

(5) identify means to encourage investment in infrastructure and provide economic incentives to expand capacity for yard waste, and food residuals, and other organic materials diversion in the State, including identification of:

(i) properties or development zones where diversion infrastructure may be developed; and

(ii) any tax, grants, or other incentives that already exist to encourage and support infrastructure and economic development;

~~(6) recommend a refuse disposal fee to finance a grant program that provides financial assistance to develop infrastructure and expand capacity for yard waste and food residuals diversion in the State;~~

identify the current process for permitting anaerobic digestion facilities and recommend improvements that should be made to the anaerobic digestion permitting process;

(7) recommend measures to promote the diversion of yard waste, and food residuals, and other organic materials in the State, including any necessary programmatic, legislative, or regulatory changes; and

(8) recommend a pilot program for the region in which Elkridge and Jessup are located to prioritize infrastructure development and food waste recovery from large food waste generators.

(b) In conducting the activities required under subsection (a) of this section, the Department shall consult with:

- (1) the Department of Agriculture;
- (2) the Department of Commerce;
- (3) the Maryland Environmental Service;
- (4) the MD–DC Compost Council;
- (5) the American Biogas Council;
- (6) the Restaurant Association of Maryland;
- (7) the Maryland Retailers Association;
- (8) the Maryland Food Bank;

- (9) the Institute for Local Self-Reliance;
- (10) the Maryland Recycling Network;
- (11) the Maryland Farm Bureau;
- (12) the Maryland-Delaware Solid Waste Association;
- (13) the Chesapeake Foodshed Network;
- (14) the Maryland Horse Council;
- (15) the Johns Hopkins University Center for a Livable Future;
- (16) the Future Harvest/Chesapeake Alliance for Sustainable Agriculture;
- (17) the Maryland Association of Counties;
- (18) the Maryland Municipal League; ~~and~~
- (19) a private business based in the State that provides food waste collection services;
- (20) the Chesapeake Sustainable Business Council;
- (21) the University of Maryland;
- (22) the Chesapeake Bay Foundation; and
- (23) environmental organizations.

(c) On or before July 1, 2018, the Department shall report its interim findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

(d) On or before July 1, 2019, the Department shall report its final findings and recommendations to the Governor and, in accordance with § 2-1246 of the State 18 Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.