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January 23, 2017

The Honorable Joan Carter Conway
Maryland Senate
Chair, Education, Health & Environmental Affairs Committee
11 Bladen Street
Annapolis, MD 21401

Re: Support with amendments for Senate Bill 99

Dear Chairwoman Conway:

On behalf of the American Biogas Council, I am pleased to submit this letter of support, and urge you to support with amendments Senate Bill 99 "Department of the Environment – Yard Waste and Food Residuals Diversion 2 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.

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 SB99 is a viable first step to increasing Maryland's ability to do that. There are only two ways to recycle organic material: with either composting or biogas systems. With biogas systems, the industry we represent, not only does the organic material get recycled 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.

Since six other states already have organics recycling policies in place, and the US has over 2,000 operational biogas systems nationwide,ⁱ we know that increasing organics recycling will be very beneficial to Maryland. The key benefits of this bill are that the study it requires 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, the potential benefits from building more biogas in Maryland are significant.

According to our researchⁱⁱ, Maryland ranks #28 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.

If you want to realize these benefits for Maryland, you must pass SB99 with the amendments that have been submitted to bill drafting for the companion House version of this bill by Delegate Shane Robinson. Those amendments represent the consensus suggestions from a large portion of the groups named in SB99 and we'd be happy to work with this committee as well to add them to SB99. 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 Senate Bill 99.

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

Sincerely,


Patrick Serfass
Executive Director

ⁱ US Biogas Market Overview,
<https://www.americanbiogascouncil.org/pdf/ABC%20Biogas%20101%20Handout%20NEW.pdf>

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