



PUBLIC EMPLOYEES FOR ENVIRONMENTAL RESPONSIBILITY

962 Wayne Ave • Suite 610 • Silver Spring, MD 20910

January 28, 2021

The Honorable Larry Hogan  
Governor of Maryland  
100 State Circle  
Annapolis, Maryland 21401

Bill Ferguson  
Senate President  
100 State Circle  
Annapolis, Maryland 21401

Adrienne Jones  
House Speaker  
100 State Circle  
Annapolis, Maryland 21401

Dear Governor Hogan, President Ferguson, Speaker Jones:

We are writing to ask you to work together to support efforts in the Maryland General Assembly to remove dirty energy sources from the Renewable Portfolio Standard (RPS).

Today, the Maryland economy is under tremendous pressure from the COVID-19 pandemic, and many residents struggle to pay utility bills. Yet dirty energy sources made up about 40% of Maryland's "clean energy" under the state's Tier 1 RPS in 2019, the last year where data is publicly available. This is up from 35% in 2018. These dirty sources include black liquor, a sludgy byproduct of the pulping process that paper mills burn to power their operations; woody biomass, most of it also burned at paper mills; and municipal solid waste burned to produce electricity.

This has real financial consequences on Maryland ratepayers. Our review of state records indicates that state energy providers paid over \$32 million to buy "credits" from these dirty energy sources in 2019 and over \$200 million since 2008. These costs were likely passed on to Maryland ratepayers, likely with huge mark ups.

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Unfortunately, out-of-state producers are profiteering under this system, and Virginia is the big winner in Maryland's dirty energy game. Since 2008, Maryland energy providers have paid more than \$108 million to buy dirty renewable energy credits generated in Virginia.

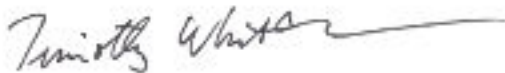
Worse yet, records obtained by PEER show that Maryland ratepayers typically pay more for dirty energy sources than clean sources, such as wind and small hydropower and that these dirty energy facilities have terrible environmental records.

Removing dirty energy sources from the RPS, would allow the state to redirect spending to clean renewable sources that create new jobs and meet consumer expectations that the premium they pay for renewable energy reduces pollution rather than subsidizing it.

Attached please find our report, *It's Time to Clean up Maryland's Clean Energy Program: Dirty "renewables" cost Maryland money and jobs*, which outlines some of our findings.

Please do not hesitate to contact me at 202-247-0299 or at [twhitehouse@peer.org](mailto:twhitehouse@peer.org) if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Timothy Whitehouse". The signature is written in a cursive style and is followed by a long horizontal line.

Timothy Whitehouse  
Executive Director