



January 23, 2024

The Honorable Mark Lawrence  
The Honorable S. Paige Zeigler  
Committee on Energy, Utilities, and Technology  
100 State House Station  
Augusta, ME 04333

## **RE: The American Biogas Council Opposes LD 2077 and HP 1336**

Dear Chairman Lawrence and Chairman Zeigler,

As the voice of the American biogas industry, the American Biogas Council (ABC) appreciates the opportunity to submit testimony in opposition to LD 2077 and HP 1336. As a representative body for the U.S. biogas industry, we are committed to supporting Maine's decarbonization goals while advocating for the inclusion of viable, low-carbon energy derived from organic waste.

The ABC is the voice of the US biogas industry dedicated to maximizing carbon reduction and economic growth using biogas systems. We represent over 400 companies in all parts of the biogas supply chain, leading the way to a low-carbon future, maximizing all the positive environmental and economic impacts biogas systems offer when they recycle organic material into renewable energy and soil products.

LD 2077 and HP 1336 seek to prohibit cost recovery for new gas service mains and gas service lines; the bills additionally seek to prohibit the expansion of a gas utility's service area as of June 30<sup>th</sup> of this year. Although we appreciate both Chairman Zeigler's and Senator Lawrence's passion for low-carbon energy, the American Biogas Council knows that limiting and prohibiting the development of gas infrastructure is counterproductive to decarbonizing energy in Maine. Natural gas infrastructure, like the electric grid, and the road systems across the State, provide a vital resource for Mainers and represent decades, if not centuries of investments in infrastructure, assets that can continue to serve an important role in a decarbonized future. Policies that sought to decarbonize electricity supplies did not dismantle or limit the electric grid, they incentivized cleaner electricity production to supply the grid. When policies seek to decarbonize transportation vehicles, they do not abandon the roads. Instead, they incentivize cleaner vehicles to travel them. The gas grid is no different, it serves as a tool and critical resource to deliver cleaner fuels, and to minimize the impact on Mainers, in the homes and businesses using gaseous fuels for manufacturing, space heating, and other end uses. Even electrified end uses benefit from a strong, reliable gas grid, by providing fuel to baseload electric generators when it's needed most.

ABC's member companies operate biogas facilities in Maine, including anaerobic digesters that produce biogas from organic waste. This biogas, once cleaned of impurities, can utilize the existing gas infrastructure and be utilized in existing end-use appliances, be consumed by non-combustion fuel cells, or be transported to secondary energy production sites like electric generators or hydrogen production facilities. Biogas facilities, especially those in Maine, are most commonly located at small agricultural sites, or municipal wastewater and solid waste facilities, located in rural communities, most often associated with gas distribution infrastructure. Biogas systems leverage this infrastructure to bring low-carbon, non-fossil alternative fuels to other demand centers, like those already mentioned. Just as rooftop solar is connected via distribution infrastructure, but feeds into the supply and reliability of the system when needed, biogas systems serve a similar role. These systems are providing local, reliable, low carbon energy that supports the broader goals of Maine when it's connected to the existing gas system.

In addition to these energy benefits, biogas systems' primary function is to manage and recycle organic waste. Maine produces nearly 1 million tons of animal manure and nearly a half million tons of food waste every year. Add to this the 64 million gallons of waste produced from wastewater recovery facilities every single day, and the value as a recycling tool for these wastes is evident. Allowing these wastes to be diverted from landfills, and managed responsibly in renewable energy systems provides a multitude of non-energy benefits, that existing markets already support. Maine simply needs to recognize

that in order for these recycling benefits to be realized, and for the local emission reduction and energy benefits to accrue, these facilities need access to energy infrastructure.

Creating wholesale disallowance for rate recovery associated with this infrastructure applies a blunt instrument to a complicated energy policy and market. This legislation indirectly acknowledges the complexities involved and the potential impacts of its adoption by commissioning a study. However, the timelines in the proposed bill are misaligned, to the detriment of the Mainers. The proposed bill applies restrictions in July of 2024, months before the report from the commission is due in November of 2024, and subsequent legislative action is taken by this committee. ABC recommends that this study be completed, in addition to broad stakeholder engagement, including the Maine Public Utilities Commission, and others responsible for managing energy cost and reliability for Maine's consumers.

We recognize the significance of early action to reduce greenhouse gas emissions associated with energy, in many sectors across Maine's economy. However, we urge this committee to consider the impacts of such a proposal thoughtfully, and to include in the discourse, for consideration, the capabilities of gas infrastructure to deliver a low carbon future in Maine. There are creative policies emerging across North America that are balancing the value of infrastructure with the delivery of cleaner molecules and the desire to electrify certain end uses. We appreciate Chairman Zeigler's and Senator Lawrence's passion on clean energy, but the ABC feels this legislation would be counterproductive and severely limit current and future opportunities for Maine to utilize all clean and renewable fuel options.

We welcome the opportunity to work with the committee and the legislature on these topics and thank you for the opportunity to comment on this matter.

Sincerely,

Jonathan Harding

Manager of State Policy

### ***About the American Biogas Council***

The American Biogas Council is the voice of the US biogas industry dedicated to maximizing carbon reduction and economic growth using biogas systems. We represent more than 400 companies in all parts of the biogas supply chain who are leading the way to a better future by maximizing all the positive environmental and economic impacts biogas systems offer when they recycle organic material into renewable energy and soil products. Learn more online at [www.AmericanBiogasCouncil.org](http://www.AmericanBiogasCouncil.org), Twitter [@ambiogascouncil](https://twitter.com/ambiogascouncil), and [LinkedIn](https://www.linkedin.com/company/ambiogascouncil)