

RMC Legislative Committee
June 26, 2014
Wye Research and Education Center
124 Wye Narrows Drive, Queenstown
Meeting Minutes

Participants:

Josh Hastings, Chair, Legislative Committee	Dan Rider, DNR
Jon Andes, Eastern Shore Education Consortium	Dorotheann Sadusky, Sen. Mathis
Del. Steve Arentz	Jack Shaw
Bill Barnes, Eastern Shore Manufacturing Co	Sue Shaw
Michelle Clark, MRHA	Angela Visitainer, Caroline Co Econ Dev
Kurt Fuchs, Mid Atlantic Farm Credit	Ann Walsh, SOHR
Mark Greene	Eric Wargotz
Susan Harrison, LEAD MD	Emily Wilson, DNR
Keasha Haythe, Dorchester Co Econ Dev	Greg Farley, Chesapeake College
Ann Jacobs, Caroline Co Chamber	Kim Kratovil, Sen. Cardin
Joanna Kille, MDA	Linda Prochaska, Sen. Mikulski
Wilber Levengood, Caroline Co Commissioner	Bernie Sadusky, MD Assn of Comm Colleges
Doris Mason, Upper Shore Regional Co	Judy Davis
Bill McGowan, USDA Rural Devel	Mike Pennington, TCCLES
John McQuaid, ESRGC	Deborah Divins, Dorchester Co Chamber
Edwin Miller, Talbot Co Comm on Aging	Ed Vitalos, ESRGC
Jack Neil	Mike Thielke, ESEC
Nancy Nunn, Harry Hughes Center for Agro-Ecology	Scott Warner, MidShore Regional Council
Temi Oshiyoye, State Office of Rural Health	RMC Staff:
Hunter Parent-Whetmore, SOHR	Charlotte Davis, Executive Director
Rick Pollitt, Co Ex Wicomico Co	Kathy Vernacchio, Administrative and
Joanne Richart-Young, Cecil Co Econ Dev	Communications Assistant

The meeting was called to order at approximately 12:15 pm.

Chairman Hastings welcomed the group and facilitated introductions.

Mr. Greg Farley with Chesapeake College was the featured guest speaker. He spoke on renewable energy. He discussed the renewal portfolio standard (RPS) for electric utilities and presented a chart with a breakdown by generation type. Solar generation needs to grow to meet future standards including land and offshore production. This generally could offer opportunities for rural communities. Contractors will need training and certifications. Volatilization in the energy industry will overwhelm small rural businesses in its pricing and conservation needs to be a part of getting to the 20% RPS. Wind is the fastest growth electrical industry, contributing approximately \$15 Billion in the US economy. A typical facility such as the proposed Somerset County facility will be vital because of the supply chain and could produce 1,000 jobs. The solar industry is fully mature with \$113 million in economic output in Maryland alone. There are 133 firms employing approximately 2,000 people. Net metering legislation has been adopted. When there is overproduction producers can sell to the grid but also buy back when they need it.

Delegate Steve Arentz asked about renewable energy credits. There are only so many kilowatts in tradable credits and have reached saturation. Big developments tend to go after the credits making it harder for individuals to gain access. Mr. Farley responded that the size of the RPS dictates the size of the trade. Perhaps the Committee should look at legislation to lobby for the redirection of RPS credits or expansion of the credit so small rural entities could benefit.

There was discussion on how biomass technology or composting generates heat and methane that can be burned in a turbine. Communities can do this with poultry litter, wood chips and human waste, but have to have a thermal need to make economic sense. The switch grass facility like the one at WREC is a good example. There is also an active biomass group at the Maryland Energy Administration.

There was discussion of power purchase agreements (PPA). This means a development firm gets the credits and the user gets the electricity. The rest goes to the developer.

Mr. Farley suggested that there is a shift in the political environment. The Tea Party in Georgia joined the Audobon Society to build a solar facility. MEA released an incentive for micro-gridding, which is setting up a facility that is isolated from the grid. This helps build community resiliency. Half of the cost of electricity is transmission costs and the associated congestion on the grid upstream from Maryland.

Final thoughts offered by Mr. Farley: amend the state's critical area law to allow wind or solar in critical areas; the RMC should also examine the way tax credits are distributed. Chesapeake College is working to develop a work pool for installation and maintenance of clean energy facilities – creating green jobs. Also need to acknowledge the change in climate. The data is solid. Change is happening and sea level is rising.

Mr. Levengood asked about gasification. We need to change the way we handle trash. Western Counties are looking at this. Dr. Sadusky mentioned poultry litter gasification. Dr. Andes mentioned the Eastern Shore Energy Trust. The Trust is 10 school systems working together. They are looking to buy futures.

There was discussion on proposed 2015 legislative priorities. Mr. Pennington and Mr. Warner suggested that the funding of the Rural Maryland Prosperity Investment Fund remain a top priorities. Mr. Thielke suggested that all legislative priorities should lead back to RMPIF.

Other suggestions included: the health professional shortage incentive grant program (HPSIG) under health care and Program Open Space.

The meeting adjourned at approximately 1:45 pm.

Next meeting: September 4, 2014, 12:00 Noon to 2:00 pm, at the Wye Research and Education Center in Queenstown