STATE OF MARYLAND MARYLAND DEPARTMENT OF THE ENVIRONMENT Shari T. Wilson, Secretary

BILL NO: HB 1407

COMMITTEE: Economic Matters

POSITION: Support

TITLE: Environmental Trust Fund- Environmental

Surcharge- Sunset Extension

<u>BILL ANALYSIS:</u> The bill only amends existing Maryland law to continue the surcharge on electricity generated within the State by changing the sunset date from the year 2010 to 2015.

POSITION AND RATIONALE: Support

The Power Plant Research Program, through the Environmental Trust Fund provides substantial technical support and analysis to the Maryland Department of the Environment (MDE). Activities include: air quality analysis, emergency response, water appropriation, combustion byproduct storage, cooling water discharges and other areas as they relate to power plant licensing and operational issues that MDE addresses.

The Fund has been vital to the significant improvements in air quality in Maryland. The monies from the Fund allocated to MDE through the Department of Natural Resources (DNR) have allowed us to fund long-term, power plant related research projects with the University of Maryland to determine how Maryland power plants impact air quality and what additional actions Maryland will need to take to further clean up the air. The Departments work on the Healthy Air Act and long range transport of pollution from power plants is nationally recognized.

The cumulative result of this coordinated research has been significantly improved air quality in Maryland. Over the past five years Maryland has come into compliance with the old (2005) ozone standard and the two new fine particle standards. Maryland is also very close to complying with the new ozone standards with a 2010 attainment date.

Through coordination with DNR, the Department also proposes other projects for inclusion in contracts supported with Trust Fund monies. These projects include a study of mercury deposition to the Bay which provides information about necessary mercury controls for power plants to protect public health. DNR, through the Fund, has also provided technical support on the development of MDE's Coal Combustion Byproduct (CCB) regulations. This has included conducting an evaluation of other state's CCB regulatory programs to determine the strengths and weaknesses of various regulatory approaches, extensive technical input on the disposal and use of CCBs in mine reclamation and detailed comments on the types of controls necessary for the beneficial use of CCBs.

MDE urges a favorable report.

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