

August 11, 2014

Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: Docket L-2014-2404361 - Proposed Net Metering Changes

Dear Commissioners:

Thank you for the opportunity to provide comments on the proposed net metering changes, limiting the amount of excess energy a farm can sell through net metering. The hopefully unintended consequences of this proposed rule will have a negative impact on further development of anaerobic digesters (ADs) on Pennsylvania farms. AD, as a way to reduce manure on farms, are a necessary and vital part of Pennsylvania's plan to restore the Chesapeake Bay. Any factor that deters Pennsylvania's farms from pursuing ADs as a means of manure management does a disservice to the farming community and the environment.

In 2011, the Chesapeake Bay Commission held a summit in support of manure to energy for the following reason:

"In animal intensive areas of the Chesapeake Bay region there is more animal manure produced than farmers can sustainably use as fertilizer. If manure application exceeds crop uptake rates, nitrogen and phosphorus that are not taken up can runoff into streams, rivers and the Bay. Finding economically viable alternative uses for this excess manure is critical to Bay restoration efforts and for a healthy farm economy." <http://www.chesbay.us/manureenergy.html>

Pennsylvania has developed, and EPA has approved, our Phase I and Phase II Watershed Implementation Plans (WIPs), which are located at the below links.

[http://files.dep.state.pa.us/Water/Chesapeake%20Bay%20Program/ChesapeakePortalFiles/4-2-2012/Clean%20FINAL%20Phase%202%20WIP%203-30-2012%20\(2\).pdf](http://files.dep.state.pa.us/Water/Chesapeake%20Bay%20Program/ChesapeakePortalFiles/4-2-2012/Clean%20FINAL%20Phase%202%20WIP%203-30-2012%20(2).pdf)

<http://files.dep.state.pa.us/Water/Chesapeake%20Bay%20Program/ChesapeakePortalFiles/WIPs/REVISED%20FINAL%20Chesapeake%20Bay%20WIP%20-%20sent%20to%20EPA%202012-23-10.pdf>

The WIPs are Pennsylvania's blueprint identifying how Pennsylvania and its citizens will provide our share of the Bay restoration effort. Manure to energy technologies have been supported by not only the Department of Environmental Protection (DEP), but the Commonwealth in general. To implement a regulation that forces farmers to make an already

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difficult decision even more difficult is simply not the direction Pennsylvania need to move to honor its commitment to Bay restoration.

Consideration of a final rulemaking, which addresses the concerns of the farm agriculture community, could be achieved by one of the option below:

- 1) Develop an exemption to the proposed limits for on-farm alternative energy production. The exemption could be crafted consistent with federal and state regulations that identify farms that participate in the production of food and fiber as exempt from various wetland and drainage provisions. This approach directly identifies farms and subsequently ADs, as necessary for the management of the farm's manure and not primarily for the development and sale of energy.
- 2) Develop alternative limits that more accurately reflect the reality of what transpires relative to energy production on farms with digesters. Reviewing and reflecting on those numbers and limits may provide the opportunity to mathematically observe that the digesters, while in some cases well-endowed with fuel stock, have not been developed to generate energy as a financial resource.
- 3) Consider adoption of variable caps for different sources of on-farm alternative energy production. This approach is taken by some states, including New York.

I suggest option 1 be explored in detail, but believe any of these approaches has the potential to resolve the problems created for the farming community. Again, thank you for the opportunity to comment. Please contact me if DEP can be of further assistance.

Sincerely,



E. Christopher Abruzzo
Secretary



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Department of Environmental Protection
PO BOX 2063
HARRISBURG PA 17105-2063

ADDRESS SERVICE REQUESTED

Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265

SECRETARY OF ENVIRONMENT

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