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SECRETARY'S BUREAU

May 25, 2015

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:

My family and I operate a third generation dairy and poultry farm in East Donegal Twp., Lancaster County. East Donegal Twp. is known nationally for having the most farmland protected from development with conservation easements. We have strived on our farm to have healthy animals, produce high quality food, take care of the environment; all while being sustainable and supporting our families.

In 2007, we found a technology that would help the farm step up to the next level of achieving the above goals. We built an anaerobic methane digester and started converting manure methane fuel to electricity in December 2007. The digester has been successfully operating for the past seven and a half years.

I write to you today because I have concerns and suggestions for improving the proposed rule change for the Implementation of the Alternative Energy Portfolio Standards. If an exemption is not clearly defined in the AEPS on farm alternative energy systems like ours, which is an integral part of our dairy system, it may have to be decommissioned and the investment of future projects by other farm families to address their environmental concerns would certainly cease. And it is unlikely that any financing entity will back a future farm energy project, if it cannot demonstrate sufficient income to assure solvency.

Dairy families like mine, who have committed to address environmental compliance with anaerobic digesters (AD), have done so based on the current Alternative Energy Portfolio Standards, which include net metering and do not cap excess selling power. Participating farm families have risked millions of dollars in capital investment and carry debt loads that far exceed their volatile milk income to manage manure.

Who would lose if the digester was not in operation?

- The Chesapeake Bay: Digesters provide advanced management of nutrients thereby reducing the potential for these nutrients traveling through the Commonwealth's streams and rivers and ending up in the bay.
- Our communities: At our farm, we grow feed for our cows in fields that border more than 200 homes. The digested manure is spread on these fields as fertilizer for the crops. Before the manure was digested, it had 10 times the odor; our non-farm neighbors love the digester.
- The environment: Digestion destroys methane, a harmful greenhouse gas. Air quality is improved by more than 21 times with anaerobic digestion.
- The Government and Taxpayers who support it: State and Federal agencies have invested capital through grants and low interest loans into digester projects. This would be wasted taxpayer money if it were economically not feasible to continue operations. Some of the affected agencies would be Pa. DEP, State Conservation Commission, County Conservation Districts, Pa. Department of Ag, and U.S. Department of Ag.
- My employees: No digester means less work, fewer jobs.
- My family and the future of our farm: With very volatile milk and feed prices, margins are tight in agriculture; the digester enhances the sustainability of our farm, by addressing many of the issues that can put farms out of business.

Who would win if the digester was not in operation?

- Maybe a handful of large utilities? Dealing with on farm alternative energy systems may seem like a nuisance to these companies, particularly if they are not concerned about environmental, food supply, and Ag sustainability issues.

Below are three concerns and suggestions that many people in agriculture, including myself support in order to clarify and improve the wording of this proposed rule change on net-metering:

1. Recommendations for the Commission: Concern: Definition of utility in 75.1 Definitions: This states that Customer-Generators that are designed to produce no more than 200% of Customer-Generator's annual electric consumption shall be exempt from the description of a utility. I question whether this statement is subject to 75.13 (a) (3) (IV) conditions for having the 200% consumption limit waived.

Suggested Change: Utility—A person or entity that provides electric generation, transmission or distribution services, at wholesale or retail, to other persons or entities. AN OWNER OR OPERATOR OF AN ALTERNATIVE ENERGY SYSTEM THAT IS DESIGNED TO PRODUCE NO MORE THAN 200% OF A CUSTOMER-GENERATOR'S ANNUAL ELECTRIC CONSUMPTION SHALL BE EXEMPT FROM THE DEFINITION OF A UTILITY IN THIS CHAPTER subject to 75.13 (a) (3) (IV).

2. Concern: 75.13 (a) (3) (IV): While this is an improvement from the earlier proposed rule change, this important section can be improved by having further clarity. The language in the proposed change will be challenging for DEP to interpret. What does "integral" mean? Changing "MAY" to "SHALL" improves clarity. I suggest that this section be changed to the following:

Suggested Change: (IV) THE 200% OF THE CUSTOMER-GENERATOR'S ANNUAL ELECTRIC CONSUMPTION LIMITATION MAY shall NOT APPLY TO ALTERNATIVE ENERGY SYSTEMS WHEN THE DEPARTMENT PROVIDES CONFIRMATION TO THE COMMISSION THAT A CUSTOMER-GENERATOR'S

ALTERNATIVE ENERGY SYSTEM IS USED TO complies WITH THE DEPARTMENT'S PENNSYLVANIA CHESAPEAKE WATERSHED IMPLEMENTATION PLAN IN COMPLIANCE WITH SECTION 303 OF THE FEDERAL CLEAN WATER ACT AT 33 USC § 1313 OR IS AN INTEGRAL ELEMENT of a farm's approved Nutrient Management Plan in compliance FOR COMPLIANCE WITH THE NUTRIENT MANAGEMENT ACT AT 3 PA. C.S. §§ 501, ET SEQ.

3. Concern: 75.13 (a) (4): This sentence refers to limiting nameplate capacity for residential service locations. Many dairy farms in Pennsylvania have their electricity as a residential service. These dairy farms with residential service accounts will be excluded from the benefits of net-metering.

Suggested Change: **(4) The alternative energy system must have a nameplate capacity of not greater than 50 kW if installed at a residential service location unless the service is for a "normal agricultural operation," as defined in the Pennsylvania Right to Farm Act.**

Thank you for considering my comments regarding the net metering changes. This is of upmost importance to the viability of current and future agriculture alternative energy systems. Please contact me for further information or clarification, I would be happy to help.

See Brubaker Farms videos on *You Tube* to highlight how farms and alternative energy systems are great partners.

Sincerely,

Michael L. Brubaker

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