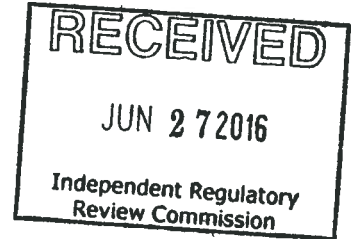




ENERGY USA, INC.

3061

5749 Coal Drive Carterville, IL 62918
812-455-4568 Fax 618.985 8766



June 25, 2016

Independent Regulatory Review Commission
333 Market Street, 14th Floor
Harrisburg, PA 17101

RE: IRRC #3061
PUC Docket #L-2014-2404361

IRRC Commissioners:

Coaltec Energy is about to begin installing large-scale waste-to-energy projects in Pennsylvania. We are concerned about the proposed rulemaking and its impact on manure, food waste and municipal biosolids projects. We request that you consider the following comments.

The proposed 75.13 (a) (1) appears to require customer-generators to have an existing electric load. This is a new provision, and while it may be intended to limit availability of net metering to any new alternative energy system that has no load, it will have unintended consequences on agriculture's attempt to reduce nutrient runoff and co-generate electricity in a cost effective manner. Currently operating dairies already have an electric load, and this section would not immediately affect them. However, this would exclude a third party entity such as Coaltec Energy from gathering poultry litter from several farms for a regional manure-to-energy system. For example, a new community type facility which would receive manure or poultry litter from multiple smaller farms for economy of scale would be excluded from net-metering benefits. We request that proposed 75.13 (a) (1) be removed.

The proposed rule restricts other alternative energy sources, such as animal and food waste gasification. Well-proven on a large-scale, animal waste gasification is NRCS Conservation Practice Code 735 (see attached). The manure-to-energy technology has an excellent potential for processing livestock manure and other biomass waste. Gasification is a high-temperature, oxygen-starved thermal process that releases energy from manure, litter or other biomass. The only two outputs from this process are activated carbon and enormous waste heat, which can be used to co-generate electricity on-site. Gasification can have an enormous benefit for the Chesapeake Bay, and is included in the Commonwealth's Watershed Implementation Plan. The proposed rule is excessively restrictive of alternative energy sources including proven best management practices such as gasification. **We suggest modifying the definition of (vii) Biomass energy to include: (D) Waste-to-Energy systems, including, but not limited to, biological and thermal waste processing and treatment systems which generate electricity utilizing by-products from farms and including dairy manure, hog manure, poultry litter, food waste, spent mushroom substrate, and municipal biosolids.**

We are also concerned about the proposed definition of Utility, since it now includes any entity or person who generates electricity. In its current wording, this definition could be used to exclude customer-generators and thereby disqualify them from the benefits of net-metering. We suggest the following wording to be added: **THIS TERM EXCLUDES.... CUSTOMER-GENERATORS GENERATING LESS THAN 5 MW.** A nameplate capacity of 5 MW is consistent with the Commonwealth's current net metering regulation for micro-grids.

We believe that the PUC's proposals will limit agriculture's and the food industry's ability to self-fund and sustain innovative manure management systems which utilize animal waste-to-energy. This potentially has a negative impact on current and future investments by farm families throughout the Commonwealth to meet their environmental obligations. We appreciate the opportunity to comment and hope that again, the IRRC will disapprove the PUC's proposed final form rule.

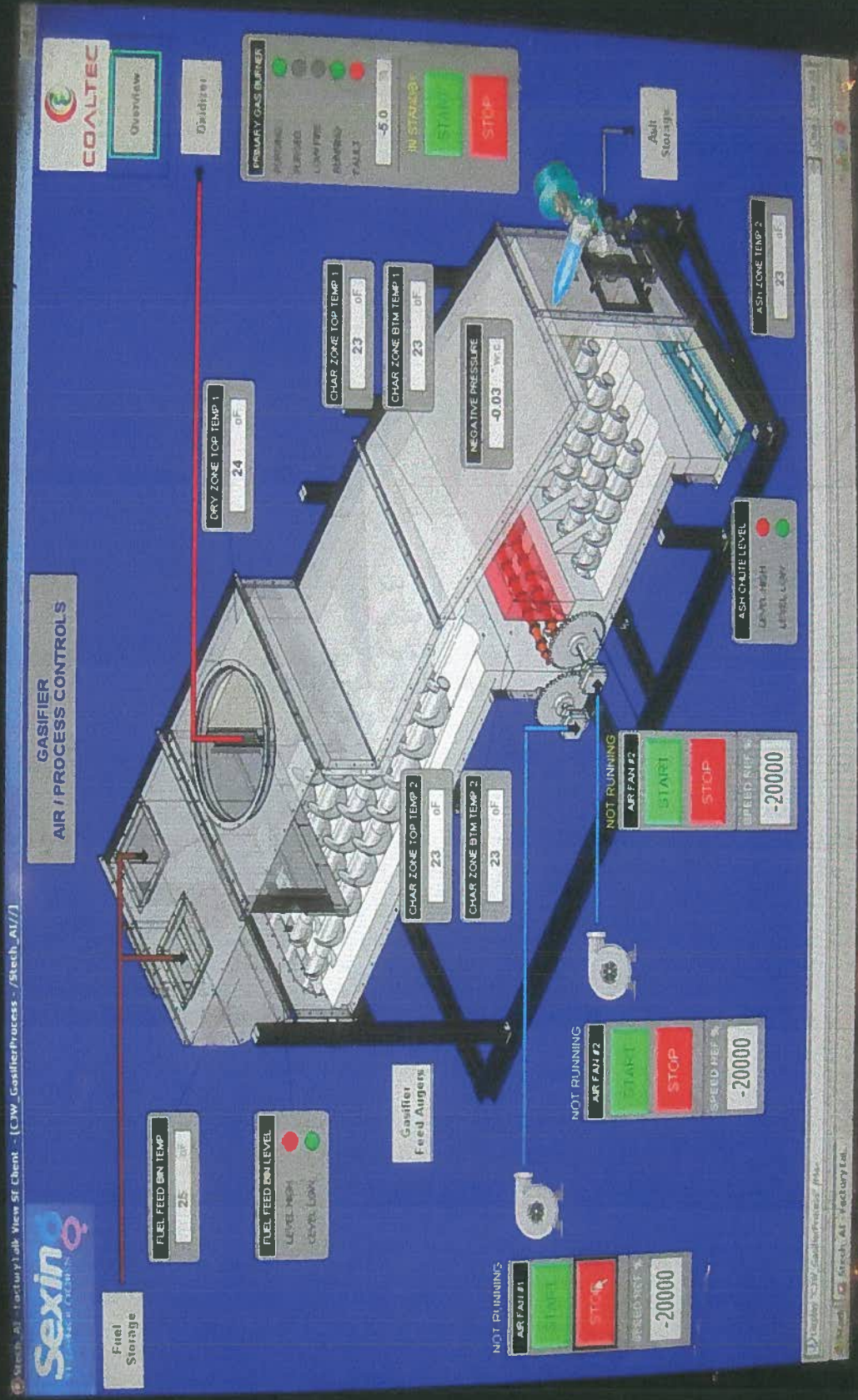
Sincerely,

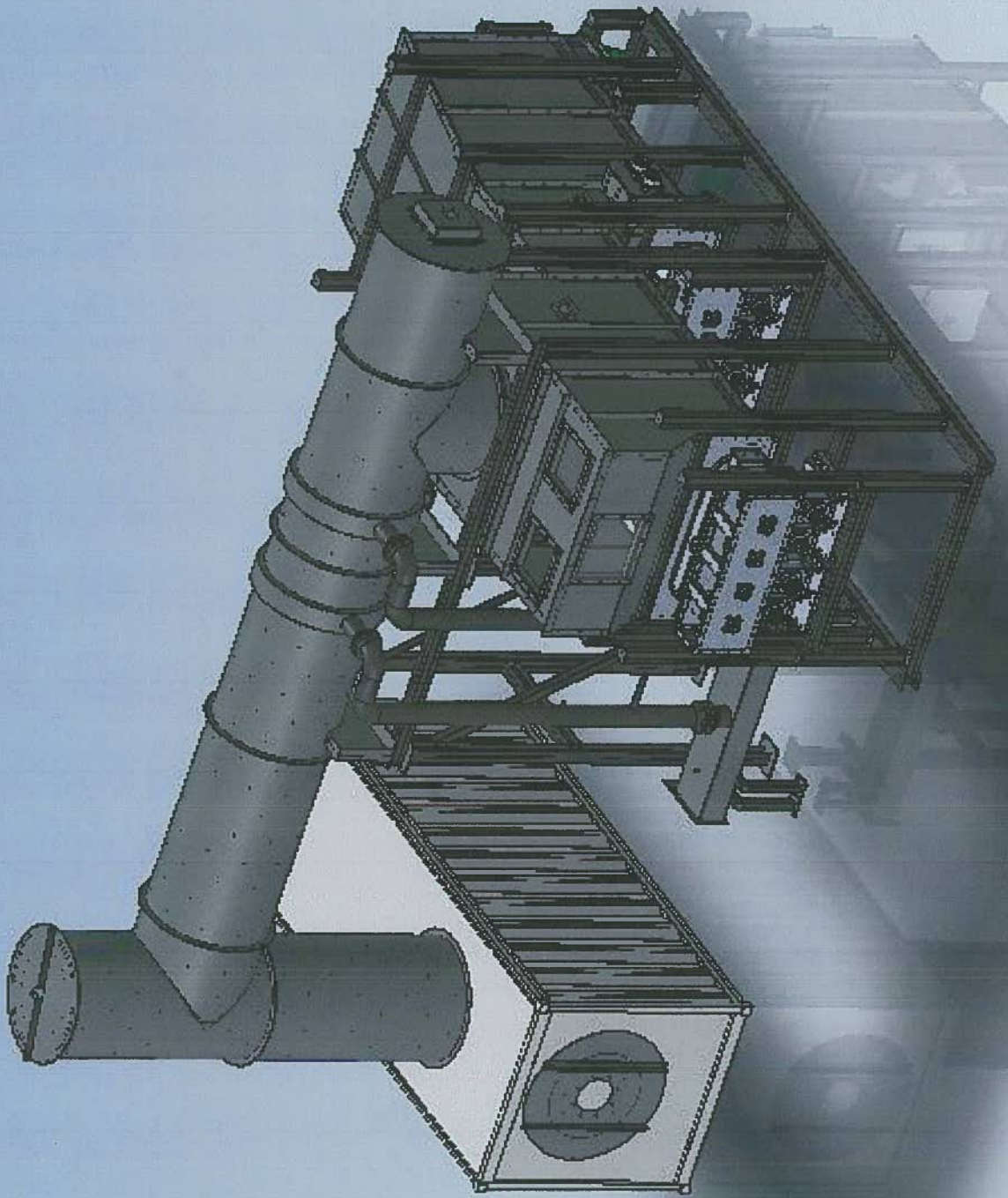


Peter Thomas

Coaltec Energy USA, Inc.

ELECTRICAL SYSTEM AND CONTROLS









INTERIM CONSERVATION PRACTICE STANDARD

WASTE GASIFICATION FACILITY

(No.)

CODE 735

DEFINITION

Thermo-chemical treatment facility for animal and agricultural waste in an oxygen starved environment.

PURPOSE

Gasification of animal manure and other agricultural by-products is to address one or more of the following:

- To improve ground and surface water quality by reducing or concentrating the nutrient content, reducing organic strength, and/or reducing pathogen levels of agricultural operations
- To improve air quality by reducing odors and gaseous emissions
- To produce syngas for energy production and other value added by-products
- To facilitate desirable waste handling, storage, efficient transfer or land application alternatives for nutrients

CONDITIONS WHERE PRACTICE APPLIES

This practice applies where:

- The facility and associated components are part of an agricultural waste management system.
- Raw agricultural waste contains excess nutrients for land application based on crop utilization requirements or nutrient ratios need to be modified to be more consistent with crop utilization requirements. There is a need to reduce the potential for leaching or runoff of nutrients.
- Reduction of pathogens is desired.

- Odors and/or gaseous emissions from livestock production facilities and waste storage/treatment system components must be reduced.
- Syngas and/or process heat can be captured and used to dry manure or other agricultural products and/or generate electricity.
- Value-added byproducts can be produced to offset treatment costs.

CRITERIA

General Criteria Applicable to All Gasification Treatment Systems.

Laws and Regulations. Agricultural waste gasification facilities must be planned, designed, and constructed to meet all Federal/State/Tribal/Local laws and regulations.

Feasibility Study. The system provider shall conduct a feasibility study to determine whether the proposed project is feasible and meets the landowner's objectives. Identify the components of the proposed system and provide the costs, in time, money, or other resources, of the installation, start-up, and operation of the facility. Include information on feedstock availability, marketing the products and by-products, and the anticipated return on the investment. Identify any parts of the system that would require a commitment from an outside entity if their actions would impact feasibility. Include a clear identification of the resource concerns to be addressed and the anticipated effects on the environment.

Design. The system provider will complete and supply to the landowner/operator a detailed design of the gasification system. If needed for proper operation, include designs for pre-processing and post-processing facilities such as solid/liquid separation and pelletizers.

As a minimum, include a process diagram in the design documentation along with the following information:

1. The volume and characteristics of the feedstock and of the anticipated products and by-products.
2. Projections of pre-processing and post-processing requirements, including storage, handling, transfer and utilization.
3. Expected air emissions from the system.
4. Nutrient fate projections within the system.
5. Expected pathogen reductions.
6. Process monitoring and control system requirements as described below in the monitoring section.

Feedstock Pre-processing. For the gasification system to function efficiently, pre-processing of the manure such as solid/liquid separation, drying and/or particle size manipulation may be required. Consult the Conservation Practice Standards, Solid/Liquid Separation Facility, Code 632, or Waste Treatment, Code 629 for pre-processing guidance.

Components. The gasification system provider will furnish a minimum one year warranty on all construction or applied processes. In addition, the manufacturer will provide a warranty with documentation that describes the service life of each component and what the warranty covers.

The minimum practice life for a gasification system is ten years. Clearly identify in the Operation and Maintenance Plan the expected replacement of any components which have less than a 10 year service life.

Monitoring. Install the necessary equipment to properly monitor and control the waste stream as part of the gasification system.

Monitor the process control parameters identified in the design documentation.

If the gasification unit is located in a confined facility, environmental monitoring must be maintained to ensure proper air quality for working conditions.

Monitor the run status of critical equipment and unit processes.

The landowner/operator must have the interest and skills to monitor and maintain processes or contracts with a consultant to provide these services.

Gasification By-Products. Properly dispose of or beneficially use all gasification by-products in a safe and environmentally sensitive manner.

Handle and store all by-products in such a manner as to prevent nuisances to neighbors or to the public at large.

Use NRCS Conservation Practice Standard, Nutrient Management, Code 590, when by-products are land applied to supply plant nutrients.

Some of the potential gasification by-products include:

- **Syngas.** If the syngas is not self-consumed through the gasification process, it can be used for electricity generation, heating, cooling and/or pipeline quality gas. Additional processing of the syngas may be necessary for it to be properly utilized.
- **Ash.** Through complete gasification, most nitrogen and carbon is converted to a gas phase, while many of the other nutrients (i.e. phosphorus and potassium) remain in a concentrated form in the ash. Use of this material can reduce transportation costs for land application and improve nutrient placement.
- **Biochar.** Depending on the operating temperature, pressure and other parameters, the resulting ash may qualify as biochar, which is a carbon rich product. Biochar can be used as a soil amendment, carbon source or filtration medium for soil water. Evaluate the biochar produced to ensure it meets the desired use.

- **Heat.** One by-product of gasification is heat which can be used for drying, heating, cooling, and/or electricity generation.
- **Liquid Fuels.** Through further processing of the syngas, various types of liquid fuels can also be produced.

Structural Design. Design roofs and enclosures in accordance with the requirements of NRCS Conservation Practice Standards, Roofs and Covers, Code 367, and Waste Storage Facility, Code 313.

Facility Closure. Prepare a plan that describes the procedures required to close the facility.

Outside Fuel Source. Identify needed start-up or supplemental energy sources and provide appropriate storage and handling plans.

Safety. Include adequate safety features in the design of the gasification system to minimize hazards. Provide guards and shields for moving parts of the equipment used in the gasification process.

A considerable amount of heat is generated by gasification. Use of proper protective equipment such as gloves and insulated clothes is required.

Ensure that the gasifier and associated appurtenances are gas tight to avoid gas escape and air intake which could lead to the release of toxic gases and/or accumulation of flammable gases.

If the gasification system will create a safety hazard, fence the area and post warning signs to prevent usage for purposes other than intended.

As a minimum, post "Warning-Flammable Gas" and "No Smoking" signs. Provide appropriate fire protection equipment and syngas leak detection sensors, especially in confined areas.

Design the ventilation controls to maintain an environment that will prevent the release of smoke, gas or potential blow out from the system.

Carry out all treatment processes in accordance with all safety regulations.

If required, mark the location of underground gas lines with signs to prevent accidental disturbance or rupture. Properly label exposed pipe to indicate whether gas line or other.

Additional Criteria for Gasifiers that Do Not Self-Consume Syngas.

Syngas is flammable, highly toxic and potentially explosive. The design of a gasification system, including gas collection, control, storage and utilization processes, must address the hazards associated with normal operation and maintenance. Provide adequate safety measures and be in accordance with standard engineering practice for handling a flammable gas and to prevent undue safety hazards. As a minimum:

- Locate flares an appropriate distance from syngas sources and storage. Place enclosed flares as recommended by the manufacturer. The minimum distance of open flares from the syngas source or storage area is 95 feet. Maintain a minimum flare height of 10 feet. Ensure that flares are grounded or otherwise protected to minimize the chance of lightning strikes.
- Equip the flare with automatic ignition and powered by battery/solar or direct connection to electrical service. Ensure that the flare has a capacity equal to or greater than the anticipated maximum syngas production. Install a windshield to protect an open flare against wind.
- Install a flame trap device in the syngas line between the gasifier and sources of ignition or as recommended by the flame arrester manufacturer.

Gas Collection, Transfer, and Control System. Design the syngas collection, transfer, and control system to convey captured gas from the gasification unit to gas utilization equipment/devices (flare, boiler, engine, etc.) or storage.

1. Gas collection and transfer – Meet the following for pipe and/or appurtenances:
 - Securely anchor pipe and components to prevent displacement from normal forces and loads.

- Pipe used for transfer of gas must include provisions for drainage of condensate, pressure and vacuum relief, and flame traps.
- For steel pipe meet the requirements of AWWA Specification C-200 or ASTM A53/A211 for stainless steel.
- For plastic pipe meet the requirements of AWWA Specification C-906 or ASTM D-3350 for HDPE.
- Install pipes to enable all sections to be safely isolated and cleaned as part of routine maintenance.

2. Gas Control

- Locate and shelter equipment and components from the elements along with making them readily accessible for replacement or repair.
- Ensure that the size of equipment and connecting pipe has a capacity consistent with its intended use.
- Where electrical service is required at the control facility, meet the National Electrical Code, state and local requirements for all electrical wire, fixtures, and equipment.

3. Syngas Storage

If syngas is to be stored for future use or post-processing, provide adequate volume to meet the requirements for its final use.

Incorporate necessary safety precautions to prevent excess pressure in the gas storage area.

Follow the guidelines outlined for the use of flares and flame traps for syngas storage units.

Gas Utilization. Design and install gas utilization equipment in accordance with standard engineering practice and the manufacturer's recommendations. Include a flare to burn off excess gas.

- Design gas-fired boilers, fuel cells, turbines, and internal combustion engines, when a component of the system, for burning syngas directly or burning as a mix with other fuel. Some equipment may

require the removal of H₂S and other contaminants from the syngas before it will operate properly.

- Install and maintain a gas meter, suitable for measuring syngas.

CONSIDERATIONS

Location. Consider locating the gasification facility as near the source of manure or other waste as practicable and as far from neighboring dwellings or public areas as possible. Proper location should also consider slope, distance of manure and other waste transmission, vehicle access, wind direction, proximity of streams and flood plains, and visibility.

Visual Screening. Evaluate the visual impact of the gasification facility within the overall landscape context. Screening with vegetative plantings, landforms, or other measures may be implemented to alleviate a negative impact or enhance the view.

PLANS AND SPECIFICATIONS

Plans shall include all engineering drawings and supporting documentation as well as other plans required to manage the system such as a nutrient management plan for proper land application of by-products.

Prepare plans and specifications for gasification facilities in accordance with the criteria of this standard and good engineering practice.

As a minimum, provide the following in the plans and specifications:

1. Environmental Evaluation
2. Layout and installation details of livestock facilities, waste collection points, waste transfer components, storage facilities and gasification system.
3. Documentation that all necessary outside commitments have been confirmed.
4. Location of all inflow and discharge pipes, construction materials, and necessary appurtenances.
5. Details of support systems for all components of the gasification facility.

6. Fencing and signage as appropriate for safety purposes.

OPERATION AND MAINTENANCE

Develop an operation and maintenance (O&M) plan and review it with the owner/operator prior to construction of a gasification facility. Identify parameters considered critical to proper system function in the Operation and Maintenance Plan. Ensure that the O&M plan is consistent with the proper operation of all system components and contains requirements including but not limited to:

- Recommended loading rates and capacities of the gasification system.
- Proper operating procedures for the gasification system.
- Operation and maintenance manuals for pumps, blowers, instrumentation and control devices, and other equipment used as components of the gasification system.
- Description of the planned startup procedures, normal operation, safety issues, and normal maintenance items. This includes procedures for the planned replacement of components with less than a ten year service life.
- Alternative operation procedures in the event of equipment malfunction.
- Shut-down procedures for both maintenance and for permanent closure.
- Troubleshooting guide.

Monitoring and reporting plan designed to demonstrate system performance on an ongoing basis.

REFERENCES

Biochar for Environmental Management. Lehmann and Joseph. Earthscan. 2009.

Biomethane from Dairy Waste. A Sourcebook for the Production and Use of Renewable Natural Gas in California. Western United Dairymen. 2005.
http://www.suscon.org/news/biomethane_report/Full_Report.pdf

Guide For Siting Small-Scale Biomass Projects in New York State. New York State Energy Research and Development Authority. 2009.
<http://www.nyserda.org/publications/Report09-07>

Guideline for Safe and Eco-friendly Biomass Gasification – Gasification Guide. Intelligent Energy Europe – European Commission. 2009.
http://gasification-guide.eu/gsg_uploads/documenten/D10_Final-Guideline.pdf

