

Lancaster County Agriculture Council

3061

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June 27, 2016

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

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

IRRC Commissioners:

While we were relieved to see the IRRC had taken the wise and necessary action to disapprove the Public Utility Commission's Final-Form Regulation # 57-304 (IRRC # 3061) "Implementation of the Alternative Energy Portfolio Standards Act of 2004", the Lancaster County Agriculture Council is confused by some of the new language as proposed in the PUC's revised final form rule, which was submitted to the IRRC on June 13, 2016, and is concerned about what it means for future on-farm manure management initiatives.

Specifically, 75.13 (a) (1) now appears to require customer-generators to already have an electric load. This is a new provision, and while it may be intended to go after any new alternative energy system (solar, wind) that has no load, it may again have unintended consequences on agriculture's attempt to address environmental issues in a cost effective manner. Although currently operating farms already have an electric load, and this section would not immediately affect them, this would exclude a third party entity that might take manure from several farms for a digester or other "manure to energy" system. An example of which might be a new community type facility that would receive manure from multiple smaller farms for economy of scale. This proposed provision would stifle the innovation that farms so desperately need in order to creatively address their environmental obligations. We request that proposed 75.13 (a) (1) be removed.

There is another "manure to energy" technology that has a good potential for dairies and other livestock groups: gasification. It burns the manure at a high temperature. The main output from this process is heat which could be used to generate electricity from the steam produced. This process could have a huge benefit for the Chesapeake Bay, and is included in the Chesapeake Bay Watershed Implementation Plan. This proposed rule seems to be excessively restrictive of alternative energy sources including new sources such as this. We suggest modifying the definition of (vii) Biomass energy to include: **(D) Generation of electricity utilizing by-products from farms and including dairy manure, hog manure, poultry litter, food waste and spent mushroom substrate.** We suggest modifying the definition of (vii) Biomass energy to include: **(D) Generation of electricity utilizing by-products from farms and including dairy manure, hog manure, poultry litter, food waste, and spent mushroom substrate.**

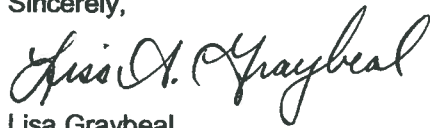
We are also concerned about the proposed definition of Utility, in that it now includes any entity or person that generates electricity. Could this definition be used to include customer-generators and thereby disqualify them from the benefits of net-metering? We suggest the following wording to be added: **THIS TERM EXCLUDES.... CUSTOMER-GENERATORS GENERATING LESS THAN 3 MW.**

Lancaster County Agriculture Council

As an organization representing the agricultural interests of Lancaster County, we certainly make no claim of expertise in the area of public utilities, and have yet to grasp the language related to the payment of excess kilowatt-hours generated by the customer-generator (See 75.13 (d), (e), (f) or what a DSP (Default Service Provider) is, or why the PUC continues to put forth rules that would stifle renewable energy and that is not in the public interest.

But we do know that the PUC's continued proposals which limit agriculture's ability to self-fund and sustain manure management systems by turning the animal waste to energy, will have a very negative impact on current and future investments by farm families in Lancaster County to meet their environmental obligations. We appreciate the opportunity to comment on behalf of the Lancaster County agricultural community, and hope that again, the IRRC will disapprove the PUC's proposed final form rule.

Sincerely,



Lisa Graybeal
Chair