



Chesapeake Bay Commission Policy for the Bay

SEP., 8 2014

INDEPENDENT REGULATORY
REVIEW COMMISSION

September 3, 2014

Ms. Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

RE: Docket # L-2014-2404361

2014 SEP -3 PM 12: 57
PA PUC
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Dear Secretary Chiavetta:

l am writing to express concerns of the Chesapeake Bay Commission regarding the proposed net metering regulations as published in the Pennsylvania Bulletin on July 5, 2014.

As drafted, these regulations would greatly hinder the continued operation of existing on-farm electricity generation as well as the establishment of new systems. The unintended consequences would have both economic and environmental consequences to the Commonwealth.

Alternative manure technologies, such as manure-to-energy systems, are an important part of Pennsylvania's strategy to meet its regulatory water quality goals under the Chesapeake Bay Total Maximum Daily Load. Manure-to-energy is especially promising because it can help the farmer to better manage nutrients and provide multiple income streams.

Recent analysis by the Chesapeake Bay Commission has shown that these systems are only sustainable when all income streams are available. By severely restricting the potential income from net metering, these regulations would essentially render manure-to-energy systems infeasible, thus limiting options available to individual farms and the Commonwealth as a whole to meet our nutrient reduction goals.

Consequently, regulations should not unnecessarily limit net metering available to farmers with existing manure-to-energy operations or those who may install systems in the future. The regulations should also provide the same potential benefits of net metering to off-farm manure-to-energy projects that may involve a cooperative of farmers or other partnerships between farm and non-farm businesses.

Finally, the definition of "biomass energy" should be expanded to clearly include animal manure, such as poultry litter, that is thermochemically converted to gas.

Thank you for the opportunity to comment on this important matter.

Sincerely,

Marel A. King Pennsylvania Director