



Testimony to the House Consumer Affairs Committee  
Public Hearing on Net Metering and HB 1349

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September 2, 2015

Chairman Godshall, Chairman Daley and distinguished members of the House Consumer Affairs Committee, thank you for the opportunity to provide written testimony on behalf of the Pennsylvania Department of Agriculture (Department).

I write today in support of HB 1349, Representative Zimmerman's bill that would restrict the Public Utility Commission (Commission) from limiting the nameplate capacity and the production of electrical power from biologically derived methane gas, including methane from the anaerobic digestion of animal waste.

The Department has been actively engaged with the Commission since last year regarding their proposed net metering changes. The Department expressed concern in September 2014 about the potential negative impact of the proposed rule, which would have limited the amount of excess energy a farm can sell through net metering and potentially discourage the further deployment of anaerobic digesters (ADs) on Pennsylvania farms. To be clear, the Wolf administration opposes the Commission's proposal to limit the capacity of distributed generation systems to 200% of annual consumption; however, if the Commission proceeds with its rulemaking, we support ADs being removed from the limits, as HB 1349 accomplishes.

It is worth reiterating that agriculture provides more than \$7.5 billion in farm gate revenue to Pennsylvania's economy. More than 7,800 of our state's 59,300 farms are dairy operations and another 14,300 farms raise swine or poultry. In many cases, the major challenge our farmers face is how to continue to grow their business in order to remain economically viable, while at the same time working to attain environmental compliance requirements.

A producer's use of ADs to manage the manure generated on their farm is one of the most effective means to achieve the objective of expanding their business while continuing to manage manure in an environmentally responsible manner. On-farm AD systems have been successfully implemented on more than 20 dairy operations in the Commonwealth. These 20 farms have paved the way for future use of this technology which produces renewable bio-energy, provides proven and substantial benefits to the environment, reduces farm odor, and provides an appropriate tool for food waste digestion and removal. The Center for Dairy Excellence is currently working with eight additional dairy farm owners who are considering an on-farm AD.

The Commonwealth must do everything it can to encourage farmers to adopt such technology. Beyond the benefits listed above, the adoption of ADs on more farms is an integral element in the Chesapeake Bay Watershed Improvement Plan (WIP) adopted by the Commonwealth and approved by the US Environmental Protection Agency (EPA).

It is clear in the Commission's most recent proposal released in April 2015 that it recognizes the opportunity that this technology presents to agriculture. I thank the Commission for its efforts to address the unique nature of on-farm alternative energy production.