



August 1, 2014

Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

RECEIVED  
2014 AUG -4 AM 10:55  
PA.P.U.C.  
SECRETARY'S BUREAU

RE: Docket L-2014-2404361 – Proposed Net Metering Charges

Dear Commissioners:

PennAg Industries Association is an agriculture trade association with more than 600 business members and has been in existence since 1878. Our mission focuses on working to create and maintain an effective, viable and competitive environment for Pennsylvania agribusiness to grow and prosper.

Agriculture is a dominate industry within the Commonwealth. With that come pressures for environmental stewardship. Farmers view digesters and alternative energy systems as a means to reduce their carbon footprint – as an option that will allow their farm to be a leader in environmental compliance and in many cases, one of the few options available to the farm for expansion plans and having future generations return to the farm.

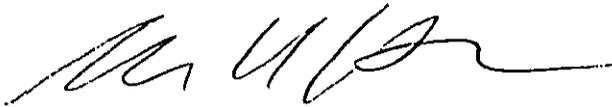
For this and the reasons to follow, we are urging the PUC to:

- 1) Recognize that digesters and alternative energy systems on farms are not motivated by the farmer for financial gain – farmers are not in the energy business – farmers in in the business of providing wholesome, nutritious food. Digesters and alternative energy systems are tools used by the farmer to meet environmental compliance and offer expansion opportunities. Yes, there is the potential benefit of producing excess energy that can be sold back to the grid – however; this return on the investment is not the driver to sway a farmer to consider a digester. Instead, the driver for a farmer is that digesters are a plausible solution to an environmental compliance issue. Pennsylvania Department of Environmental Protection as specifically listed Digesters as a potential solution to address nutrient concerns within the Chesapeake Bay and the WIP (Watershed Implementation Plan). Without the option of alternative power, the ramifications to our food production system in the Commonwealth could be challenging and possibly a hardship that will force farmers to weigh their options of staying in business verses selling the farm.

- 2) Provide an exemption within the rules that allow for farmers to continue to seek and use alternative energy solutions – such as digesters and solar power.
- 3) Waive the required approval for nameplate capacity over 500 kW.
- 4) Allow the General Service rate to apply for on-farm digester system meters installed for net-metering purposes.
- 5) Waive the 110% limit on the size of on-farm generation systems

I would invite the members of the PUC to seek additional insight from our farmer members who operate digesters in an effort to craft the best possible rules for all stakeholders. I am happy to make those introductions. I can be reached at [cherr@pennag.com](mailto:cherr@pennag.com) or (717) 940-9273.

Sincerely,



Christian R. Herr  
Executive Vice President  
PennAg

xc: PA Department of Agriculture



Northwood Office Center  
2215 Forest Hills Drive, Suite 39  
Harrisburg, PA 17112-1099

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