

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 03-E-0188 – Proceeding on Motion of
The Commission Regarding
Retail Renewable Portfolio Standard

Before - Hon. Eleanor Stein, Administrative Law Judge

New York Farm Bureau is pleased to present these comments on the design of a renewable portfolio standard for New York. We appreciate the Public Service Commission efforts in establishing this proceeding and anticipate working with the commission and all parties to design public policy that supports renewable energy in New York.

New York Farm Bureau is a grassroots, member driven agricultural advocacy organization with over 34,000 member families. Farming is one of New York State's largest industries with a wide variety of commodities produced. New York's farms are well-positioned as an industry to not only provide food for generations to come, but also provide a renewable source of energy for users in New York State by utilizing farmland, currently 7.7 million acres, to benefit the environmental health of the residents of New York State.

In its February 19, 2003 order instituting this proceeding, the Commission asked for comments on several threshold issues. While New York Farm Bureau chose not to provide answers to each issue, the following are responses to issues impacting New York's farmers engaged in providing renewable energy resources:

1. The types of resources that should be considered as “renewable” for the purposes of a renewable portfolio standard.

Renewable resources should include farm waste to energy project, wind and biomass resources

Farm Waste to Energy

New York Farm Bureau strongly supports the inclusion of methane digesters, used as part of a livestock operation, for inclusion in New York's renewable portfolio standard. With the advent of this new technology allowing manure produced on livestock farmers to generate methane to be used for electricity production, farmers and environmentalists have sought to further develop and utilize this practice. Two years ago, New York State included manure processing and handling facilities as part of an on-farm commercial enterprise in the Agricultural Districts Law. This change in statute, along with the recent enactment of legislation allowing for net metering of on-farm electricity production, provides both the farms and the non-farm public with the opportunity to produce and utilize a bountiful renewable source of energy.

Wind Energy

New York State has a significant capacity for wind resources, with many regions having sufficient wind speed to use a wind turbine. Wind power offers a cost-effective alternative to traditional power sources and is an environmentally responsible way to generate power. Projects to spur wind generation on farms have been supported by the New York State Energy Research and Development Fund and the inclusion of wind energy with a renewable portfolio standard is a critical step in promoting wind energy as an alternative resource.

Biomass

New York Farm Bureau strongly supports the inclusion of biomass power plants, particularly those deriving their fuel from either farm operations, forest harvesting operations or wood-using industries, in New York's renewable portfolio standard. According to the most recent data from the USDA Forest Service's Forest Inventory and Analysis, New York State annually grows in excess of three times the amount of wood that is harvested. As such, all biomass fuel derived through farm waste and production, forest harvesting and forest industries should be categorized as "sustainably managed biomass". New York Farm Bureau also believes that facilities that use forest derived biomass or mill residue to produce a liquid fuel, and use this liquid at a later time to produce electricity, should be included in the renewable portfolio standard as "sustainably managed biomass."

There are many means available to forest landowners and timber harvesters to demonstrate sustainable management practices. The most relevant systems for New York are the Tree Farm Program, Sustainable Forestry Initiative and the Forest Stewardship Council program. Each of these apply to different types of forest ownerships and conditions. Participation in these programs is not the only means of demonstrating sustainable management but is a strong indicator of a landowner's and wood-using business' commitment to sustainable management practices.

2. The appropriateness of including renewable resource energy procured from outside the State, such as hydropower from Canada or wind energy from New England.

New York Farm Bureau would support the participation of renewable energy generators from other states provided that the state in which they generate has a renewable portfolio standard comparable to New York's and in which New York generators may participate. States that do not have a renewable portfolio standard should not be allowed to participate in the New York Market. Generators in Canada should not be allowed to participate regardless of their position regarding the renewable portfolio standard.

8. The appropriateness of a “renewable attributes trading” system, and the components of any such system that might be developed.

Each of the technologies supported by New York Farm Bureau have a proven track record of providing reliable, renewable power. Unlike some other forms of renewables, these renewable energy resources can be used as demand requires, and are available to the grid at times of greatest load. A renewable portfolio standard should provide energy from renewable generation, not simply prove the existence of renewable generation capacity.

10. The appropriateness of a “renewable attributes trading” system, and the components of any such system that might be developed.

A renewable attributes trading system could and should be established in a way that allows participation by generators not selling into the electricity grid. Many manufacturing facilities, institutions and others generate their own electricity, and providing “renewable attributes” credits to those that generate using renewables could spur renewable distributed generation. This incentive could encourage renewable generation at areas of need, support small-scale renewable energy projects, and provide economic and environmental benefits statewide

Respectfully Submitted,

Jeff Williams
Associate Director of Public Policy
New York Farm Bureau