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INDEPENDENT REGULATORY
REVIEW COMMISSION

PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Pennsylvania Public Utilities Commissioners:

This letter is to address the proposed rulemaking regarding Net Metering for customer-generators pursuant to Section 5 of the Alternative Energy Portfolio Standards Act, 73P.S. 1648.5.

Red Knob Farm is a three generation modern family farm with over twenty members of the Young family either current or past employees of the farming operation. We are founding members of the Professional Dairy Managers of Pennsylvania and long standing members of the Pennsylvania Farm Bureau and PennAg Industries. As one of the various farms in Pennsylvania currently working to develop on-farm renewable energy projects, we commend the Public Utility Commission and staff for positively addressing net metering. I appreciate the opportunity to offer the following comments and recommendations.

The existing rules do not properly take into account the nature of farm electric usage and, because of this oversight, adversely affect the farm and benefit the utility, which was not the intent of the original legislation. The fact of the matter is that agriculture production, by its very nature of dependency on the land, is not highly centralized in a single building or facility. Rather, agricultural operations tend to have barns and buildings spread out at various locations and various tracts of land at such distances that common electric meters are not an option. Consider the following varied facilities found on most dairy farms which sometimes may, but very often do not, share common electric meters:

- Dairy barns and milking parlor
- Farm house or houses
- Farm employee housing (often on a different side of the farm property)
- Crop storage bins and barns (on same and/or different land parcels)
- Heifer barns (very often scattered at different locations)
- Buildings for farm-related side businesses (farm store, road stand)

A recent survey of over twenty farming operations in Pennsylvania having or planning renewable energy projects demonstrated that the average number of electric meters per farm was over seven with an average of three different rate classes per farm. One farm had as many as twenty meters. And almost nine out of ten farms had meters on non-contiguous farm properties. Given geographically fragmented electric usage as an industry norm, it is impossible under existing rules for normal farms to fully benefit from net metering as the legislation intended. At best, a farm could net meter only a nominal portion of its scattered energy usage. The proposed rulemaking will make significant strides to correct that problem.



The proposed rulemaking deals with the multiple meters issue through physical and virtual "meter aggregation", which is defined as "the combination of readings and billing for all meters in a particular rate class on continuous and adjacent properties owned and operated by a customer-generator." This language has three major problems:

1. The average farm has meters in three different rate classes entering the farming operation
2. The average farm has multiple meters on non-contiguous farm properties
3. The average farm does not own all of the properties which it operates. In a highly competitive real estate market, ownership of all production land and facilities is often not possible. Most farms have several farm properties which are rented or leased, though effectively integrated into the farming operation in a manner indistinguishable from owned properties.

I recommend that all of the barns, buildings, equipment and residences that are part of the farming operation should be included in net metering, regardless of rate class, physical location or ownership. This would allow full economic benefits to be applied to the farm. To ensure that all buildings and demand load are included in a farm net metering calculation, I recommend that the language be amended for both physical and virtual meter aggregation to read "the combination of readings and billing for all meters in all rate classes on all properties under operational management control of a customer-generator."

In order to deal with multiple rate classes, I recommend that onsite generation is first applied to the meter through which the system feeds. Then all excess should be applied equally to other meters in the farm operation, allowing each meter to maintain its current rate class.

Thank you for your time and consideration. I appreciate the opportunity to address these concerns. Providing agriculture with a sensible and productive net metering system is critical to the industry's progress and to the development of domestic renewable energy sources.

Respectfully submitted,



Andrew L. Young
COO, Red Knob Farm

