



Connecticut Farm Bureau Association
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Testimony in support of: HB No. 6360 AN ACT CONCERNING IMPLEMENTATION OF CONNECTICUT'S COMPREHENSIVE ENERGY STRATEGY and HB 6535 AN ACT REDEFINING CLASS I RENEWABLE ENERGY SOURCES. and in opposition to HB 6532 AN ACT CONCERNING CERTIFICATION OF CLASS I AND CLASS II RENEWABLE ENERGY SOURCES AND CLASS III SOURCES, RENEWABLE ENERGY CREDITS AND ALTERNATIVE COMPLIANCE PAYMENTS

Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association

The following testimony is submitted on behalf of the Connecticut Farm Bureau, a statewide nonprofit membership organization of over 5,000 families dedicated to farming and the future of Connecticut agriculture.

Senator Duff, Representative Reed, members of the committee,

Connecticut agriculture is a \$3.5 billion industry comprising over 20,000 jobs to the states economy according to a 2010 University of Connecticut study. There is significant interest in local foods and farm products and the Governor's Council for Agricultural Development has spent the last year focusing on the potential for growth in agriculture as a legitimate economic development strategy. In particular the Council is charged with making recommendations on how to increase the amount of CT grown food consumed by the residents of the state from less than 1% to not less 5% by 2020. While consumer demand for Connecticut Grown products is high year round, Connecticut's natural growing season is short, which limits supply in late fall, winter, and spring. Connecticut already has the infrastructure of a large, established greenhouse sector that could potentially produce much more food year round through controlled-environment cultivation. However Connecticut's high energy costs limit this opportunity to compete with other states, Canada, and Europe, which have much lower energy costs and currently supply much of our fresh, greenhouse-grown produce during the off-season. Connecticut farmers and agricultural experts have identified the very high energy costs as a significant impediment to growing our industry and creating new jobs

A key initial recommendation of the Governor's Council on Agricultural Development is to encourage the state to develop an agricultural-friendly energy policy that includes agricultural net-metering and encourages on-farm renewable energy generation to lower production costs and provide additional revenue to farmers. Anaerobic digestion and on-farm combined heat and power projects offer enormous potential for Connecticut's farms to use waste products such as manure and food waste and Connecticut grown renewable fuels and turn them into clean energy.

In Europe on-farm energy generation has become commonplace. In the Netherlands for example 20% of their domestic power generation comes from farms. They have recognized the significant benefits of having a strong local agricultural base and the economic and environmental benefits it provides to their rural communities.

Connecticut Farm Bureau Association - *The Voice of Connecticut Agriculture*

The Connecticut Farm Bureau supports HB 6360 AN ACT CONCERNING IMPLEMENTATION OF CONNECTICUT'S COMPREHENSIVE ENERGY STRATEGY. We are particularly pleased with the inclusion of the agricultural virtual net metering provisions in the bill. We are however concerned with the limitation of 10 agricultural beneficial accounts for anaerobic digestion projects. In the case of anaerobic digestion, it would not likely be possible to use the excess power generated by utilizing only 10 beneficial agricultural accounts because of the scale of the projects and the relatively limited power usage of farms. For these type projects we would like to see the beneficial accounts expanded to match the project power outputs.

We also support HB 6535 AN ACT REDEFINING CLASS I RENEWABLE ENERGY SOURCES. this important bill as it clearly establishes anaerobic digestion as a Class I renewable source. We encourage that provisions be included to clearly allow for the use of source separated organic food waste from supermarkets, restaurants, and other sources in agricultural anaerobic digesters.

We oppose HB 6532 AN ACT CONCERNING CERTIFICATION OF CLASS I AND CLASS II RENEWABLE ENERGY SOURCES AND CLASS III SOURCES, RENEWABLE ENERGY CREDITS AND ALTERNATIVE COMPLIANCE PAYMENTS. This bill would provide for a reduction in the RPS alternative compliance payments from 5.5cts / kwh to 3.33 cts / kwh. We believe that this would only make it easier to source non-Connecticut generated power and will have the effect of driving down the value of Renewable Energy Credits. This would make local power generation projects less likely to be built and would cost jobs and local economic development.

The Connecticut Farm Bureau applauds the Governor, DEEP and the Energy Committee for recognizing the importance of sound agricultural energy policy and we appreciate the opportunity to provide you with this testimony.