



NEW YORK STATE SENATOR

Pamela Helming

Senator Helming Announces \$19 Million Investment in Anaerobic Digesters and On-Farm Clean Energy Projects

SENATOR PAM HELMING December 5, 2018

| ISSUE: **ANAEROBIC DIGESTERS, AGRICULTURE, CLEAN ENERGY**



GENEVA – Senator Pam Helming today announced the availability of grant funding for new and existing anaerobic digesters. The New York State Energy Research and Development Authority (NYSERDA) made \$16 million available to continue to promote the use of anaerobic digesters on dairy farms. The money will be split evenly between existing and new digesters in order to encourage the generation of clean energy and protect our environment and lakes from farm waste. Senator Helming has led the fight to deliver this critically

important funding, which gives local farmers a way to safely dispose of waste while generating energy for their operations. An additional \$3 million will be available through the Advance Agriculture Energy Technologies initiative for other on-farm clean energy projects.

“Anaerobic digesters play a crucial role throughout our farming communities, especially in the Finger Lakes region, where one-third of New York State's anaerobic digesters are located. Farmers rely on this technology to generate energy while limiting farm waste and protecting our precious water resources. It is imperative that we protect the viability of these technologies so that existing digesters remain active. It is equally important to continue to encourage the deployment of anaerobic digesters on dairy farms as a critical component of environmental stewardship as well as creating opportunities for new systems. As Senate Chair of the Legislative Commission on Rural Resources, I've been working hard with the NY Cow Power Coalition, the Northeast Dairy Producers Association, and Cornell PRO-Dairy to ensure that farmers who operate anaerobic digesters have the resources they need to continue utilizing this technology. I applaud NYSERDA for its timely commitment to ensure the continued viability of anaerobic digesters,” Senator Helming said.

Anaerobic digesters convert cow manure to electricity that can be used on the farm. Large dairy farms that utilize an anaerobic digester will meet their own electricity needs with the energy generated. The remainder is sold onto the electrical grid. Anaerobic digesters tout numerous environmental benefits, including reduced methane gas emissions and nutrient contamination in nearby water sources. The systems also help New York meet its own greenhouse gas emission reduction goals under the State Energy plan. Anaerobic digester technology may also hold promise for the creation of renewable natural gas as a clean source of fuel.

Senator Helming has been leading efforts to support the ongoing financial viability of the 28 existing digesters in New York, one-third of which are located in the Finger Lakes region. At

present, the systems are not financially self-sustaining. Revenues generated from the sale of electricity to the electrical grid, and other financial benefits of the systems, do not offset the high cost of their operation. Oftentimes, farms must divert funds from other farm revenue to pay for the expense of maintenance and scheduled capital upgrades to the systems. The newly announced grant program will fill an immediate financial need for the operators while a longer-term solution is established.

At the request of Senator Helming, as well as Assemblywoman Carrie Woerner, the Secretaries of Energy, Environmental Conservation, and Agriculture met with both representatives in June to discuss concerns surrounding the future viability of anaerobic digesters on dairy farms. As Senate Chair of the Legislative Commission on Rural Resources, Senator Helming worked closely with the Cow Power Coalition and Cornell PRO-Dairy to examine the needs of existing digester operators and with Senate staff to present evidence to the Governor's office on the need for further inquiry into the viability of these systems.

"This is an important first step in meeting this issue head-on. It is critical that all existing farm-based anaerobic digesters stay on-line so that their environmental benefits are not lost. These grants will ease the burden on dairy farmers who need to make a critical decision about whether to continue investing in their digesters or take them offline. The current cost of operating these systems, unfortunately, far outweighs the revenue and other financial benefits they generate for the farms. The new grant program will help meet an immediate financial need to keep these systems online while creating an opportunity to investigate and adopt a longer-term financial solution for these systems, such as a new rate reimbursement calculation for electricity generated by anaerobic digesters and sold into the electrical grid," Senator Helming said.

NY Cow Power Coalition leader and Northeast Dairy Producers Association board member Jon Patterson said, "Capital reinvestment into farm anaerobic digester generating systems is

a win-win scenario for New York State. We thank NYSERDA for their support, as it will help our farms reinvest in digesters to keep our green power systems operating efficiently. Senator Helming has been an impressive advocate for dairy farmers, and I'm thankful for her hard work on this issue. Power generated from the gas harvested from dairy manure is the greenest of green power. We convert methane, a greenhouse gas, into green power, thus creating significant environmental benefits. Finally, we encourage the Public Service Commission to continue to address our long term power pricing needs."

Doug Young, of Spruce Haven Farm in Union Springs, said, "Senator Helming is a hardworking advocate for our farms, and this accomplishment is especially meaningful because so many dairy farms are struggling in the current economy. I applaud Senator Helming for being an advocate on this difficult issue and look forward to her continued leadership in Albany."