

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 18-3449-PET

Petition of Salisbury AD 1, LLC for a certificate of public good, pursuant to 30 V.S.A. § 231, to own and operate a renewable natural gas facility in Salisbury, Vermont, and for de minimis regulation, and to address motions to transfer and amend the 30 V.S.A. § 248 CPG for the facility that was issued in Case 8596	
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Order entered: 09/03/2020

ORDER APPROVING ISSUANCE OF A SECOND AMENDED CERTIFICATE OF PUBLIC GOOD

In this Order, the Vermont Public Utility Commission (“Commission”) adopts the following proposal for decision.

PROPOSAL FOR DECISION

I. INTRODUCTION

In this case, a motion was filed on July 7, 2020 (the “July 7 Motion”) by Salisbury AD 1, LLC (“Salisbury” or the “CPG Holder”) with the Vermont Public Utility Commission (“Commission”) requesting a second amendment to the certificate of public good (“CPG”) granted by the Commission under 30 V.S.A. § 248(j) in Docket 8596 on April 8, 2016.¹

On March 14, 2019, the Commission issued an amended CPG (“First Amended CPG”) for the construction and operation of the renewable natural gas facility at the Goodrich Farm on Shard Villa Road in Salisbury, Vermont (the “As-Approved Project”). The July 7 motion seeks a second amended CPG. The proposed changes primarily address equipment specifications and resulting design changes to the As-Approved Project (the most recent changes to be referred to as the “Amended Project”). Only the Section 248 criteria that are applicable to the changes from the As-Approved Project to the Amended Project are addressed below.

In today’s Proposal for Decision, I recommend the Commission conclude that, subject to conditions, the Amended Project is of limited size and scope, the Amended Project does not raise

¹ The CPG in Docket 8596 was issued to Lincoln Renewable Natural Gas, LLC.

a significant issue with respect to the substantive criteria of 30 V.S.A. § 248, and the Amended Project will promote the general good of the State. Therefore, I recommend the Commission grant Salisbury's motion for a second amendment to its CPG, subject to the conditions set forth in this Order.

Our evaluation of the Section 248 criteria in this Order pertains to changes to the As-Approved Project that have been proposed for the Amended Project. All other Commission findings remain as described in the Commission's final order for the As-Approved Project in Docket 8596 and later amended in Case No. 18-3449-PET.

II. PROCEDURAL HISTORY

On April 8, 2016, in Docket 8596, the Commission granted a CPG to Lincoln Renewable Natural Gas, LLC, authorizing the installation and operation of a renewable natural gas facility at the Goodrich Farm on Shard Villa Road in Salisbury, Vermont.

On March 14, 2019, the Commission issued an amended CPG to Salisbury in Case No. 18-3449-PET ("As-Approved Project") including changes to the feedstock, equipment selection, the physical layout of the facilities, and associated operational changes

On July 7, 2020, Salisbury filed a motion in this proceeding to further amend the CPG (the "July 7 Motion"). The incorporated project changes are referred to as the "Amended Project." The filing included an affidavit and exhibits in support of the motion to amend.

On July 24, 2020, the Vermont Department of Public Service ("Department") and the Vermont Agency of Natural Resources ("ANR") filed responses to the July 7 Motion. The Department requested that Salisbury respond to several questions concerning the motion to amend. ANR stated that it does not oppose the motion to amend and emphasized the need to include certain conditions to ensure that the Amended Project will not result in any significant impacts under the relevant Section 248 criteria.

On August 5, 2020, Salisbury filed testimony responding to the comments of the Department and ANR, as well as revisions to an exhibit and an additional exhibit.

On August 14, 2020, the Department filed comments on the August 5 filings made by Salisbury. The Department states that it has no remaining concerns regarding the July 7 Motion. On the same date, ANR filed comments stating that it does not object to the "Amended Project" so long as four conditions are included in the second amendment to the CPG as written by

Salisbury in the proposed draft CPG. These conditions are incorporated into the proposed second amended CPG.

No other comments on the petition were received by the Commission.

No party has requested an evidentiary hearing or objected to the prefiled testimony and exhibits. Accordingly, the following documents are admitted as if presented at a hearing: prefiled testimony and affidavit of Maria Sol Ucciani and exhibits SAD1-MTN-1 (Rev.) and SAD1-MTN-2 through 6.

III. FINDINGS

Based on the evidence of record, I hereby report the following findings to the Commission in accordance with 30 V.S.A. § 8(c).

Description of the Amended Project

1. The revised site plan for the Amended Project reflects changes to the layout and locations for the digesters, hydrolyzer, buildings, truck turnaround, non-potable water supply well, covered dumpsters, and other equipment. Exh. SAD1-MTN-1 (Rev.); Exh. SAD1-MTN-2.
2. Under the Amended Project plans, Salisbury is changing the proposed biogas upgrader equipment from a membrane system to a pressure swing absorption system (“PSA”). The use of a PSA system will not change the quality of the gas produced by the biogas upgrading process. S. Ucciani aff. at 3; S. Ucciani pf. at 7–8.
3. Salisbury will meet with Vermont Gas Systems, Inc. (“Vermont Gas”) before any renewable natural gas (“RNG”) flows into the Vermont Gas system, to further discuss gas quality standards based on recent changes that have occurred in the industry. Salisbury and Vermont Gas will jointly develop a plan for when the first RNG product is injected into Vermont Gas’s pipeline system. S. Ucciani pf. at 7.
4. The PSA system capacity is 650 standard cubic feet per minute (“scfm”) as compared to 520 scfm for a membrane system. S. Ucciani aff. at 3.
5. There will be no change in the physical location or height of the biogas upgrader equipment as compared to the As-Approved Project. The PSA system that will be used for the

Amended Project will occupy roughly the same area and a slightly different shaped footprint. S. Ucciani aff. at 3.

6. The capacity of the combined heat and power unit (“CHP”) under the As-Approved Project is 600 kW. For the Amended Project, Salisbury will install an 800 kW CHP unit to ensure sufficient start-up power. S. Ucciani aff. at 5.

7. Salisbury has determined that it is also necessary to increase the capacity of one gas-fired boiler housed within the CHP unit to 1.80 MMBtu/hour. S. Ucciani aff. at 5.

8. The As-Approved Project included a diesel-fired back-up generator with a capacity of 500 kW. A slightly larger capacity is required for the back-up generator to ensure sufficient power to start up facility operations in case of emergency. Salisbury proposes to increase the capacity of this unit to 760 kW. S. Ucciani aff. at 6.

9. The Amended Project’s sound levels at the nearest residences are estimated to range from 32 to 35 dBA. S. Ucciani aff. at 5; exh. SAD1-MTN-4.

10. The gas flare equipment used by Salisbury will include a protective shield to conceal the flame and to prevent blowout. The flaring capacity will meet the specifications of the required air pollution control permit from the Vermont Department of Environmental Conservation’s (“DEC”) Air Quality and Climate Division. S. Ucciani aff. at 4.

Air Pollution and Greenhouse Gas Impacts
[30 V.S.A. § 248(b)(5); 10 V.S.A. § 6086(a)(1)]

11. The Project will not result in undue air pollution or greenhouse gas emissions. An amended air pollution control permit from the DEC is required due to the proposed changes to the As-Approved Project. Salisbury received the amended air permit on July 27, 2020. S. Ucciani aff. at 4; exh. SAD-MTN-6.

Waste Disposal
[10 V.S.A. § 6086(a)(1)(B)]

12. The Applicant represents that the Project will meet all applicable health and Vermont Department of Environmental Conservation regulations regarding the disposal of wastes and will not involve the injection of waste materials or any harmful or toxic substances into groundwater or wells. This finding is supported by findings 13 and 14, below.

13. The increased kW capacity of the CHP unit will not affect the volume of engine oil that would have been contained within the CHP unit for the As-Approved Project. The volume will remain at 150 gallons. S. Ucciani aff. at 5; Exh. SAD1-MTN-5.

14. The 760-kW back-up generator will require a larger volume of oil storage -- from 900 gallons to 1,791 gallons. Salisbury will prepare a Spill Prevention, Control and Countermeasure Plan (“SPCC Plan”) following construction but prior to operation of the Project. S. Ucciani aff. at 6.

Water Conservation

[10 V.S.A. §§ 6086(a)(1)(C)]

15. The Amended Project will not have an undue adverse effect on water conservation because the new biogas upgrader equipment does not require water. The membrane system as previously proposed for the As-Approved Project would have used approximately 400 gallons of water per day. S. Ucciani aff. at 3.

Wetlands

[10 V.S.A. § 6086(a)(1)(G)]

16. The Amended Project will not have an undue adverse effect on wetlands. All site layout changes will occur within the previously identified limits of disturbance and do not change any previously permitted impacts to wetlands or wetland buffer areas, as authorized under Salisbury’s Vermont Wetlands Permit. S. Ucciani aff. at 8.

IV. DISCUSSION AND CONCLUSION

Based upon the findings above, I recommend that the Commission conclude that the changes to the As-Approved Project, with conditions related to operation of the flaring equipment, preparation of the SPCC plan, and compliance with the DEC air pollution control permit, do not raise a significant issue with respect to the substantive criteria of 30 V.S.A. § 248, and that the Amended Project will promote the general good of the State. Therefore, I recommend that the Commission approve an amendment to Salisbury’s CPG.

This Proposal for Decision has not been circulated to the parties pursuant to 3 V.S.A. § 811 because it is not adverse to any party.



Andrea Poppiti
Hearing Officer

V. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission (“Commission”) of the State of Vermont that:

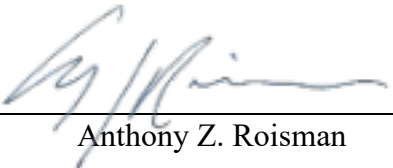
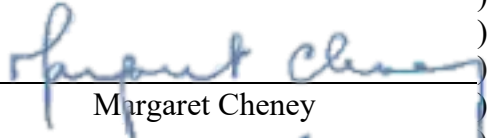
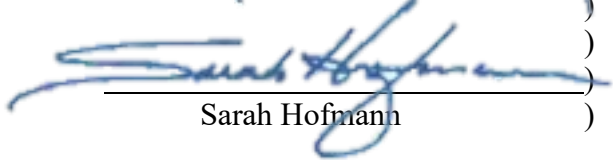
1. The findings, conclusions, and recommendations of the Hearing Officer are hereby adopted. All findings proposed by parties that were not adopted in this Order are expressly rejected.

2. In accordance with the evidence and plans submitted in this proceeding, the proposed amendments to the certificate of public good (“CPG”) granted by the Commission in Docket 8596 and later amended in Case No. 18-3449-PET on March 14, 2019, for construction and operation of a renewable natural gas facility, to be owned and operated by Salisbury AD 1, LLC (the “CPG Holder”) at the Goodrich Farm on Shard Villa Road in Salisbury, Vermont (the “Amended Project”), will promote the general good of the State of Vermont pursuant to 30 V.S.A. § 248, and an amended certificate of public good to that effect shall be issued in this matter.

3. Operation and maintenance of the Amended Project shall be in accordance with the plans and evidence submitted in this proceeding. Any material deviation from these plans or substantial change to the Amended Project must be approved by the Commission. Failure to obtain advance approval from the Commission for a material deviation from the approved plans or substantial change to the Amended Project may result in the assessment of a penalty pursuant to 30 V.S.A. §§ 30 and 247.

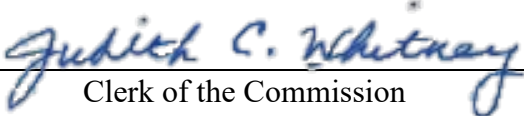
4. As a condition of this Order, the Applicant shall comply with all terms and conditions set out in the amended CPG issued in conjunction with this Order.

Dated at Montpelier, Vermont, this 3rd day of September, 2020.

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_____ Anthony Z. Roisman)	PUBLIC UTILITY
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)	
_____ Margaret Cheney)	COMMISSION
)	
)	
_____ Sarah Hofmann)	OF VERMONT

OFFICE OF THE CLERK

Filed: September 3, 2020

Attest: 
Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.

PUC Case No. 18-3449-PET - SERVICE LIST

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