



Evan Dell'Olio &lt;evan.dellolio@synergy-ne.com&gt;

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**RE: Standard Offer Farm Methane Application**

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**Carolyn Alderman** <carolyn@veppi.org>  
To: Evan Dell'Olio <evan.dellolio@synergy-ne.com>  
Cc: Meghan vonBallmoos <meghan@veppi.org>

Fri, Jul 28, 2023 at 2:07 PM

Dear Mr. Dell'Olio:

Thank you for applying for a Farm Methane Standard Offer Contract. Page 3 of your application lists your feedstock as "... fiber, Christmas trees, maple sap, horticultural, and orchard crops."

Because our farm methane plants typically use cow manure as their primary feedstock, we need to ensure that your project does not belong in the biomass or food waste categories. Please note: neither biomass nor food waste are eligible for Standard Offer Contracts.

Please explain why your project does not belong in the biomass or food waste categories. Also, please specifically address how Christmas trees, maple sap, and orchard crops are not biomass or food waste feedstock.

Feel free to contact me with questions.

Best regards,

Carolyn



Carolyn M.X. Alderman, ESQ.

Executive Director

VEPP Inc.

**P:** 802.362.0748

**C:** 802.353.6867

**E:** carolyn@veppi.org

**E:** vermontstandardoffer.com

*Correspondence sent and received is subject to Vermont's Access to Public Records Law, 1 V.S.A. § 315 et seq. Please refrain from sending any information that is confidential, privileged, subject to copyright or constitutes a trade secret.*

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**From:** Evan Dell'Olio <[evan.dellolio@synergy-ne.com](mailto:evan.dellolio@synergy-ne.com)>

**Sent:** Thursday, July 27, 2023 10:57 AM

**To:** Meghan vonBallmoos <[meghan@veppi.org](mailto:meghan@veppi.org)>

**Cc:** Carolyn Alderman <[carolyn@veppi.org](mailto:carolyn@veppi.org)>; Ioana Drew <[idrew@veppi.org](mailto:idrew@veppi.org)>; Kam Mahdi <[kmahdi@cetyinc.com](mailto:kmahdi@cetyinc.com)>; Alp Kaplan <[akaplan@cetyinc.com](mailto:akaplan@cetyinc.com)>

**Subject:** Re: VEPPI Farm Methane Application Copy

Good Morning Meghan,

I hope that all is well. Please find a process description for our project attached to this email.

We will look forward to hearing more from you soon. Have a great day!

Best Regards,

Evan

Evan B. Dell'Olio

Synergy Bioproducts Corporation

Vermont Renewable Gas, LLC

145 PINE HAVEN SHORES RD #1000A

SHELBURNE, VT, 05482, USA

o: (802) 427-4762

m: (413) 461-6180

**2 attachments**



**Lyndon Application.pdf**  
701K



**VRG - VEPPI Process Description.pdf**  
3173K



Evan Dell'Olio &lt;evan.dellolio@synergy-ne.com&gt;

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**RE: Standard Offer Farm Methane Application**

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**Evan Dell'Olio** <evan.dellolio@synergy-ne.com>

Mon, Jul 31, 2023 at 6:51 PM

To: Carolyn Alderman &lt;carolyn@veppi.org&gt;

Cc: Meghan vonBallmoos &lt;meghan@veppi.org&gt;

Dear Ms. Alderman,

Thank you for reaching out on these important questions. I have attached a document which summarizes our answers to these questions as well as explains our reasoning behind submitting this important Standard Offer Farm Methane application.

I appreciate your offer to connect on any questions. Please feel free to do the same.\

Have a good evening!

Best Regards,

Evan

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[Quoted text hidden]

**VRG - VEPPI Qualification Document.pdf**

218K



Evan Dell'Olio <evan.dellolio@synergy-ne.com>

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## RE: Standard Offer Farm Methane Application

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**Carolyn Alderman** <carolyn@veppi.org>  
To: Evan Dell'Olio <evan.dellolio@synergy-ne.com>

Tue, Aug 1, 2023 at 5:24 PM

Dear Evan:

Thank you for the thorough response. We will review and get back to you.

Best regards,

Carolyn



[Quoted text hidden]



Evan Dell'Olio <evan.dellolio@synergy-ne.com>

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## RE: Standard Offer Farm Methane Application

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**Evan Dell'Olio** <evan.dellolio@synergy-ne.com>

Tue, Aug 1, 2023 at 6:18 PM

To: Carolyn Alderman <carolyn@veppi.org>

Dear Carolyn,

Thank you for your email. We appreciate the update and I will look forward to hearing more from you soon.

Have a nice evening!

Best Regards,

Evan

[Quoted text hidden]

Evan B. Dell'Olio  
Manager  
Vermont Renewable Gas, LLC  
145 Pine Haven Shores Road #1000A  
Shelburne, VT 05482

July 31, 2023

Ms. Carolyn M.X. Alderman, Esq.  
Executive Director  
VEPP Inc.  
3452 Richville Road #1938  
Manchester Center, VT 05255

Dear Ms. Alderman,

As requested by VEPP, Inc., Vermont Renewable Gas, LLC offers the following explanation regarding why our proposed facility in Lyndon, Vermont shall qualify for a Farm Methane Standard Offer Contract. As you requested in your July 28<sup>th</sup> email, please find further details below explaining why our project does not belong in the Biomass or Food Waste categories, but rather is a Farm Methane project. Additionally, we offer further detail as to why the feedstock derived from agricultural production of the following crops: "fiber, Christmas trees, maple sap, horticultural, and orchard crops" qualifies as "farming" in Vermont and therefore is eligible as farm-derived feedstock.

Pursuant to 30 V.S.A. § 8005(b)(2)(A)(i), electric generation plants eligible for the Sustainably Priced Energy Enterprise Development standard-offer program in the Farm Methane category must utilize methane derived from agricultural operations for the production of electricity. To provide interpretation of this statute, on October 28, 2009, the Vermont Public Service Board (now known as the Public Utility Commission or PUC) issued an Order as part of Docket No. 7533 titled SECOND ORDER RE IMPLEMENTATION ISSUES. The PUC ordered that Act 45 distinguishes between plants that utilize "methane derived from an agricultural operation and plants that utilize biomass." Previously, the PUC staff had issued a request for comments on how the PUC should distinguish Agricultural Methane projects from other biomass projects. The Board considered the responses of the commenters, and issued conclusions.

First the Board concluded that the Farm Methane category of Act 45 is not a technology-based one, even though all agricultural-methane projects that the Board had reviewed to date had been anaerobic digesters. Also, to VEPP's point in its 7/28 email, these same projects have also mostly used dairy farm-sourced manure as the feedstock derived from agricultural operations to qualify as Farm Methane facilities. However, farm-derived manure is not the only feedstock that qualifies as agriculturally-derived. The PUC noted that according to the American Heritage Dictionary, Agriculture is defined as "the science, art, and business of cultivating soil, producing crops, and raising livestock; farming." The PUC also looked to statute language pertaining to the

definition of farming, specifically 10 V.S.A. § 6001(22) in providing further detail. Included in this statute, is a definition of “Farming.” In 10 V.S.A. § 6001(22) “farming” refers to “the cultivation or other use of land for growing food, fiber, Christmas trees, maple sap, or horticultural and orchard crops” among other activities such as the management of livestock (which would include dairy cows). This is also the same definition of agriculture used by the Vermont Agency of Agriculture, Food, and Markets in its Required Agricultural Practices Rule to regulate on-farm management activities. Included in the definition of farming in 10 V.S.A. § 6001(22) as well is “the on-site storage, preparation, and sale of agricultural products principally produced on the farm.” In essence, individuals or incorporated entities engaged in growing these crops, harvesting them, preparing them for market, and selling them to others in the commercial economy are engaged in farming.

Secondly, the PUC noted that for a project to qualify as a Farm Methane project, at least 51% of the project’s feedstock used to produce agricultural-methane must be derived from agricultural operations. As a Farm Methane facility, Vermont Renewable Gas – Lyndon will derive more than 51% of its feedstock from farming as earlier defined. In its Order, the PUC initially did not endorse the notion that crops grown solely for use as a Farm Methane feedstock constitute agricultural operations and therefore initially only endorsed the concept that Agricultural Methane qualified facilities must use wastes from agricultural operations to qualify.

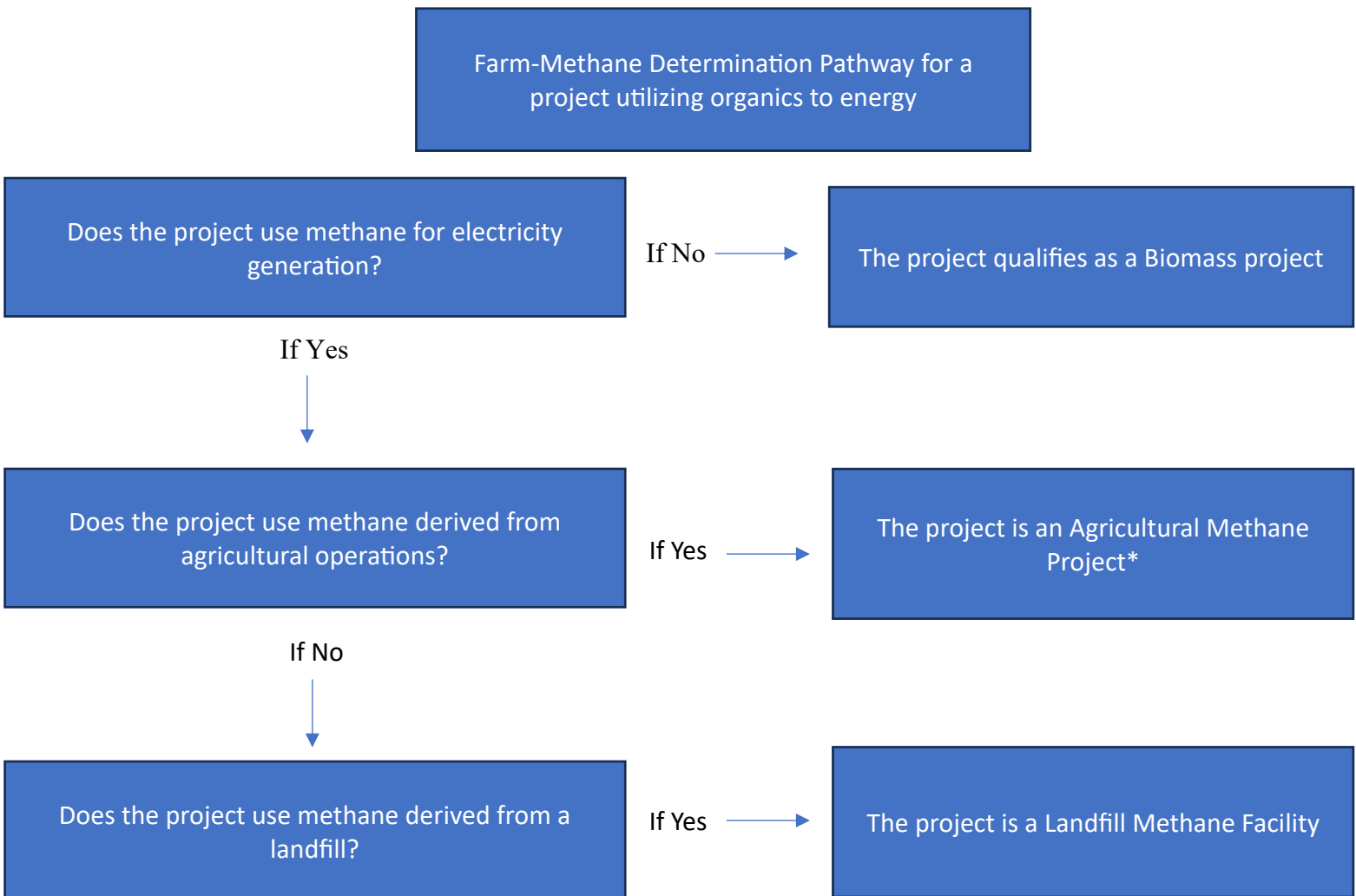
However, the concept of agricultural products grown solely for energy production qualifying as agriculturally-derived feedstock for meeting the 51% farm-derived content requirement for Farm Methane facilities was later accepted by the PUC in a March 28, 2011 Order as part of Docket #7533. In that Order, the Board reversed its earlier decision and concluded that crops specifically grown for the purpose of serving as a feedstock for Farm Methane projects could be considered agriculturally-derived. Among the many items that the Board considered in making its decision, it again looked to the definition of “farming” in 10 V.S.A. § 6001(22). Therefore, both crops themselves and wastes associated with production of these crops are considered farm-derived for purposes of qualifying a Farm Methane facility, just as much as the wastes of livestock are too.

In summary, the Board ordered in Docket #7572 that the Agricultural Methane category is available only for projects that utilize methane from feedstock that is at least 51% derived from agricultural operations (such definition slightly updated by Docket #7533). For Vermont Renewable Gas – Lyndon, this will be the case based on Vermont’s definition of agriculture as aforementioned. The Board further noted that any facility that generates methane from the use of a biomass feedstock not principally derived from agricultural or landfill operations will be placed in the biomass category. One could propose that such examples may include methane produced from manure sourced from a zoo or public sewage waste. Later, with the passage of the Universal Recycling Law (Act 148) in 2015 (gradually banning recyclables from being landfilled), Food Waste Anaerobic Digester projects were treated separately from other organics-derived methane generation projects. The intent of Act 148 was to divert restaurant, cafeteria, food processor (as a commercial activity, not the farm where the raw products are grown), and grocer-sourced food scraps from landfills and convert methane produced from

these wastes into energy. At least 50% of the volume for such facilities must be food waste. Therefore, today any facility that generates methane from the use of a biomass feedstock not principally derived from agricultural operations, landfills, or food waste will be placed in the biomass category. After our careful consideration, we determined Vermont Renewable Gas – Lyndon to meet the definition of a Farm Methane facility, and therefore submitted an application for a Farm Methane Standard Offer Contract.

Below, please see the flow chart we utilized internally in making our decision to submit an application for a Farm Methane contract for Vermont Renewable Gas – Lyndon. Please contact me with any questions.

Sincerely,  
DocuSigned by:  
*Evan Dell'Olio*  
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Evan B. Dell'Olio  
Manager



If No



Does the project use methane derived from food waste and use anaerobic digestion technology?

If Yes →

The project is a Food Waste Anaerobic Digestion Facility

If No



The project may qualify as a Biomass project but not any of the other methane-specific categories, regardless if methane is used to generate electricity

\* Vermont Renewable Gas – Lyndon was determined to be a candidate for a Farm Methane Standard Offer program based on answering yes to this question, and at least 51% of the feedstock used to generate electricity from methane being derived from farming.