



June 23, 2025

*Submitted electronically via ePUC*

Holly Anderson  
Clerk of the Commission  
Vermont Public Utilities Commission  
112 State Street  
Montpelier, Vermont 05620

**Re: Case. No. 24-3359-INV, Investigation of the standard-offer contract between Vermont Renewable Gas, LLC and the Standard Offer Facilitator**

To the Public Utilities Commission:

The Partnership for Policy Integrity (PFPI) supports the recommendation in the Proposal for Decision Addressing Standard-Offer Contract Eligibility, dated June 9, 2025, to declare the standard-offer contract between Vermont Renewable Gas, LLC (VRG) and the Standard Offer Facilitator, executed on August 28, 2023, null and void *ab initio*.

We concur with the Hearing Officer that the proposed VRG facility is not eligible as a farm methane plant under the Standard Offer Program because (a) the Facility cannot be characterized as a plant using methane derived from an agricultural operation, and (b) pursuant to 30 V.S.A. §§ 6002(22)(F) and 8005a, most of the proposed feedstock sources for the Facility do not constitute feedstock from an agricultural operation.

While PFPI supports the Hearing Officer's findings of fact and recommendations to the Commission, we believe there are additional compelling reasons for concluding that the proposed Facility is not eligible for a standard-offer contract as a farm methane plant.

As we address in more detail in our public comments dated February 13, 2025, PFPI contends that the proposed facility does not qualify as a farm methane project for the following reasons:

1. **The proposed facility is not using methane that is *derived* from farming activities; it is an industrial process that *creates* methane that would not otherwise be generated from farming activities.** VRG's Standard Offer Power Purchase Agreement with VEPP, dated August 28, 2023, describes the facility as a "2,200kW farm methane gas digester plant." This is inaccurate; a pyrolysis plant is not a methane digester. A methane digester uses microbes to break down organic waste and produce biogas. The Air Pollution Control Permit issued by the Vermont Agency of Natural Resources (ANR) on June 24, 2024, more accurately states that "the proposed Facility will produce synthetic fuel gas

(syngas) from clean wood biomass using a fast High Temperature Ablative Pyrolysis (HTAP) process.”<sup>1</sup>

2. **The proposed facility would create biogas through a thermochemical process, not through microbial decomposition, as required under 30 VSA Section 248(q)(4).** Section 248(q)(4) states that “As used in this section, “biogas” means a gas resulting from the action of microorganisms on organic material such as manure or food processing waste.” VRG claims that this provision is only applicable to on-farm plants referenced in Section 248(q)(1)(A).<sup>2</sup> However, subdivision (q)(4) clearly applies to the *entire* section 248(q).<sup>3</sup>
3. **The proposed feedstocks - even wood wastes from agricultural operations, such as Christmas tree and orchard trimmings - are not a significant source of farm methane.** Neither Vermont’s GHG Emissions Inventory nor Vermont’s Climate Action Plan identify trees, living or dead, as a source of methane emissions. According to ANR’s website, the main sources of greenhouse gases in Vermont’s agriculture sector are “methane (CH<sub>4</sub>) emissions from the digestive processes of animals and manure management.”<sup>4</sup> For the most part, dead wood releases carbon dioxide (CO<sub>2</sub>) as it decays, not methane.<sup>5</sup> Both VRG and CETY claim that the HTAP system is more effective at “recovering” methane from wood than anaerobic digesters.<sup>6</sup> However, as the applicants note. “According to a wide range of studies on the degradability of lignocellulosic waste – lignin is not metabolized by anaerobic bacteria.”<sup>7</sup> While the HTAP process may *produce* more methane from wood than a digester can, this proposed facility will not be *recovering, preventing or reducing* farm methane emissions.
4. **The proposed facility does not achieve Vermont’s goals to mitigate methane emissions from the agriculture sector.** The top climate mitigation strategy for agriculture in Vermont’s Climate Action Plan is: “Prevention of emissions to the atmosphere by conserving existing carbon pools in soils and vegetation or by reducing emissions of methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) through management changes.”<sup>8</sup>

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<sup>1</sup> Vermont Agency of Natural Resources (ANR), Air Quality & Climate Division, Air Pollution Control Permit to Construct and Operate, issued to Vermont Renewable Gas, LLC for the “Biomass Pyrolysis Producing Syngas And Biochar Syngas Fired Electric Generating Facility” in Lyndon, VT, June 24, 2024.

<sup>2</sup> VRG Brief, Jan. 23, 2025, p. 10-11.

<sup>3</sup> Section 248(q)(4) applies to the entire 30 VSA Section 248, but the term “biogas” is only used in subsection (q).

<sup>4</sup> ANR, Cutting Carbon Pollution, accessed 2/10/25 at <https://climatechange.vermont.gov/climate-action-office/greenhouse-gas-mitigation>.

<sup>5</sup> Mary S. Booth, *Not carbon neutral: Assessing the net emissions impact of residues burned for bioenergy*. Environmental Research Letters, Feb. 21, 2018, at <https://iopscience.iop.org/article/10.1088/1748-9326/aaac88>

<sup>6</sup> VRG Brief, Page 5; CETY Exhibit, 12/12/24: “Comparison of Conversion Efficiencies”

<sup>7</sup> CETY Exhibit, 12/12/24: “Wood Wastes and Anaerobic Digestion”

<sup>8</sup> Vermont Climate Council, Initial Vermont Climate Action Plan, December 2021, p. 109.

<https://climatechange.vermont.gov/sites/climatecouncilsandbox/files/2021-12/Initial%20Climate%20Action%20Plan%20-%20Final%20-%202012-1-21.pdf>

There are numerous reasons why the farm methane category may offer greater incentives than other Standard Offer programs. As the DPS observes, these include “a desire to promote farm-based energy and benefit working farms.”<sup>9</sup> Other benefits identified in the Climate Action Plan include mitigation of greenhouse gas emissions, reduction of nutrients transported to surface water, and increased soil fertility.<sup>10</sup> Methane capture and energy generation projects also have high initial capital costs, a barrier for farm participation.<sup>11</sup> Arguably, the diverse benefits of farm methane digesters, both for supporting Vermont’s agricultural economy and for Vermonters as a whole, justify the greater expense for ratepayers. As we discuss in greater detail in our comments, the proposed HTAP process does not offer these additional benefits.

We appreciate the Commission’s investigation into the Standard-Offer contract and urge that you declare it null and void.

Thank you very much for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Laura Haight". The signature is written in black ink and is positioned above the typed name and contact information.

Laura Haight  
U.S. Policy Director  
lhaight@pfp.net

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<sup>9</sup> Brief of the Vermont DPS, 1/12/25, pp.11-12.

<sup>10</sup> Climate Action Plan, p. 124.

<sup>11</sup> *Ibid.*