

May 5<sup>th</sup>, 2022

Subject: Renewable Natural Gas Study Draft Outline Comments

Virginia Halloran  
Michigan Public Service Commission  
7109 W. Saginaw Highway  
Lansing, MI 48917

Dear Ms. Halloran,

Michigan Farm Bureau (MFB) appreciates the opportunity to provide additional comments on the Renewable Natural Gas Study directed by Public Act 87 of 2021 related to study inputs, assumptions and methodologies. MFB is the state's largest general farm organization, serving over 40,000 farm families. We serve as the voice of Michigan agriculture and work to support, enhance, and protect the livelihood of our members. The member-developed policy of MFB supports expanding the use of anaerobic digesters for energy production, tax incentives for power production from anaerobic digesters, and the utilization of digesters to process food waste.

### Comments on Inputs, Assumptions and Methodologies

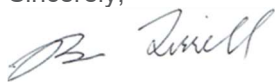
The study framework proposed by ICF seems generally appropriate for quantifying the potential for renewable natural gas (RNG) production in Michigan. However, some of the information presented at the April 20, 2022 stakeholder meeting lacks any credible basis. Livestock facilities in the state of Michigan practice excellent environmental stewardship, while making important contributions to rural communities and providing safe and healthy food to consumers. RNG represents the additional opportunity to add clean energy to the list of important contributions from Michigan farms.

The ICF document notes the valuable co-benefits from the anaerobic digestion of manure, such as minimizing farm odor, destroying potential pathogens in manure, contributing to soil health and promoting energy independence by displacing costly fossil fuels. Livestock farms will unquestionably remain an important source of nutritionally dense and protein rich food in Michigan diets. As such, it is only logical to examine the potential additional benefits of increased investments in anaerobic digester technologies. The ICF inputs, assumptions and methodologies are reasonable in outlining the general potential and current cost structure for RNG in our state.

However, we would encourage ICF to carefully examine revenue and valuation related to the operation of anaerobic digesters, especially those that are animal manure based. While historically it may have been commonplace for such digesters to directly replace energy from public utilities, there are increasingly income opportunities and value based on broader ecosystem services. For example, digestors may also realize value in supplying renewable natural gas markets or selling greenhouse gas emission offsets. MFB member policy supports full recognition of these contributions. While it is understood that ICF cannot account for every possible outcome, valuation methods should be examined that account for the diverse array of benefits realized by the adoption of anaerobic digesters, more accurately reflecting the true competitiveness of these investments.

Thank you for the opportunity to participate and provide comments. Please reach out with any questions.

Sincerely,



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