

**Department of Environmental Protection (DEP)
Agricultural Advisory Board (AAB)**

March 24, 2022

9:00 AM – 11:30 AM

Meeting Minutes

Susquehanna Room
Southcentral Regional Office

Welcome & Introductions – Jennifer Reed-Harry, Chairperson

Jennifer shared that Walt More is stepping down from the board due to other commitments. The Center for Dairy Excellence and Professional Dairy Managers have identified another individual who is willing to serve on the board. The necessary paperwork will be submitted to DEP for the appointment process so the dairy sector is represented on the board. Jennifer conducted a roll call of members.

Members present:

Mike Eby	Matt Matter	Destiny Zeiders
Jennifer Reed-Harry	Matt Royer	Cara Laudenslager
Greg Hostetter	Susan Marquart	Aneca Atkinson
Darwin Nissley	Kerry Golden	

There were not enough board members present for a quorum.

Legislative Update – Kerry Golden, Destiny Zeiders and Cara Laudenslager

Kerry Golden stated the House Ag Committee is meeting March 30 to consider a package of dairy-related legislation which includes HB223, HB224, HB2397, HB2456 and HB2457. Budget discussion continues.

Destiny and Cara did not have anything to add to the update.

Other Agency Updates – Deputy Greg Hostetter, Susan Marquart and Matt Royer

Deputy Hostetter stated there were staffing changes at the Pennsylvania Department of Agriculture (PDA) and he is currently the Executive Deputy.

Karl Brown mentioned the Conservation Excellence grants continue. About 10 million dollars have been paid out in the last three years into Lancaster, York, Bedford, Centre, Cumberland, Franklin and Lebanon counties. About 5 million has been committed and about 1-2 million being paid out to farmers who completed best management practices (BMPs). The REAP tax credit program closed allocations the end of January. About 14 million dollars in applications were received with 13 million in allocations. Any eligible applications beyond this will be rolled over to next year.

Deputy Hostetter mentioned the High Path Avian Influenza (HPAI) quarantine orders that are currently in place which restricts the movement of poultry litter into Pennsylvania and the current fertilizer prices.

Susan Marquart stated the Regional Conservation Partnership Program (RCPP) is currently open for applications. The maximum funding provided is 10 million dollars and the projects would take place over a 5-year period.

Matt Royer shared the Best Management Practices (BMP) survey is open. Matt estimates about 600 surveys have been returned to date. A reminder postcard will be sent the end of March and the survey will close the end of April so data analysis can start.

Energy Rebates for Agriculture – Michelle Ferguson, DEP Energy Programs Office

Michelle provided an overview of different financial incentives for energy projects on farms. There are five different state incentive programs. The Small Business Advantage Grant is administered by DEP's Small Business Ombudsman (SBO) office. The SBO office also has a Pollution Prevention Assistance Account (PPAA) loan, a low interest loan administered jointly by DEP's SBO office and DCED.

The Ag Energy Efficiency Rebate program launched in September 2021. Rebates are provided up to 50% of equipment costs. The Alternative Fuels Incentive Grant (AFIG) program is administered by the Energy Programs Office and funds natural gas, biodiesel, propane, hydrogen and electric vehicles. Vehicles must be on-road and registered in Pennsylvania.

The Commercial Property Assessed Clean Energy (C-PACE) program is a relatively new, voluntary program passed by county or municipal resolution. This program is unique in that the loan payment is added to the property tax bill and collected by the county or municipality.

Federal energy programs include the Rural Energy for America Program (REAP) and Environmental Quality Incentives Program (EQIP). Federal tax credits are available for renewal energy. The current tax credit is 26% for projects installed before January 1, 2023.

Michelle mentioned there are four Sustainable Energy Funds (SEFs) in Pennsylvania and are another resource for financing energy projects. Free energy assessments are available for farms and are performed by the Pennsylvania Technical Assistance Program at Penn State.

Darwin Nissley asked if you apply for lighting and decide to do ventilation, can you apply twice or must everything be put on one application. Michelle responded that you can apply through one application or separately.

Regional Greenhouse Gas Initiative (RGGI) – Allen Landis, DEP Energy Programs Office

Allen gave a brief overview of the RGGI program, a partnership between 11 northeastern and mid-Atlantic states designed to cap and reduce carbon emissions. RGGI is a cost-effective way to reduce emissions in the electricity sector. The current structure has been successful with less pollution from the electricity sector over the past 10+ years.

Each state has their own carbon budget and number of allowances. Pennsylvania's carbon budget is one ton of emissions = one allowance. The 2022 budget is 78 million tons and 78 million allowances. Power plants can only buy up to 3.3% of their compliance obligation.

Benefits of RGGI participation include the significant reduction of carbon dioxide pollution in Pennsylvania, potentially eliminating between 97 and 225 million tons of emissions by 2030 and improvements in local air quality. Economic benefits include the addition of jobs and an increase in the gross state product. Currently, program proceeds can only be used in efforts to eliminate air pollution. DEP is moving forward developing an investment plan using the existing authority. When the draft investment plan is complete, it will be published and available for public comment.

Kelly O'Neill asked if there would be more flexibility in the future regarding what is eligible (i.e., allowing practices that sequester greenhouse gases such as cover crops). Allen responded that they tried to align Pennsylvania's offset projects with what other offset projects are in other state regulations. Other ag-related investments that reduce air pollution will fit into how to use the program proceeds.

Kerry Golden commented that there is no guarantee that this regulation will become effective and asked why it was relevant to present this to board. She also questioned the timing of the presentation. Allen responded that there has been widespread interest in this regulation including from the ag industry. Jennifer Reed-Harry said she had suggested this topic for the board for those not involved in any of the stakeholder group meetings.

A board member asked what could delay RGGI further after the legislation deadline passes. Allen responded there could be legal actions that delay the regulation.

Mike Eby asked if there has been a cost analysis done to determine what the increase will be to the end consumer. Allen responded that if you factor everything in together and the program

proceeds are invested into energy efficiency, renewable energy and greenhouse gas abatement, between 2022 and 2030, the impact on the average residential electricity rate payer was about \$1.50 per month.

PAG-12 Update - Kate Bresaw, DEP Chesapeake Bay Program Office

Kate provided a status update on the PAG-12 permit reissuance. There have been two subcommittee meetings held in July 2021 and October 2021. The subcommittee comments were delivered to DEP on October 12, 2021. DEP is currently routing the permit pre-draft. The Ag Advisory Board (AAB) will have 60 days to comment on the draft permit.

The estimated date for publishing the final permit is January 1, 2023 with the effective date of April 1, 2023. All existing permittees will need to submit a new Notice of Intent (NOI) between January 1 and March 31 to remain covered under the new permit on April 1.

Guidance on Notification Requirements for Spills, Discharges and other Incidents of a Substance Causing or Threatening Pollution to Waters of the Commonwealth under Pennsylvania's Clean Streams Law – Brian Chalfant, DEP Policy Office

Brian presented a brief overview of the guidance document, which was previously addressed in a DEP fact sheet. DEP developed the document in an effort to provide clarity and a basis for consistency within DEP and the regulated community.

An initial draft was published in August 2020 for a 60-day comment period. In response to comments on the initial draft, a revised draft was published in October 2021 for another 60-day public comment period. The draft final technical guidance document (TGD) is currently undergoing internal reviews. A more in-depth presentation will occur at the June 23 meeting.

Public Comments

Susan Marquart mentioned that she added the link to the RCPP application process into the chat.

Jennifer Reed-Harry stated the next meeting is scheduled for June 23 and asked if there are any topics the board would be interested in. The Environmental Justice Program was mentioned in a couple of today's presentations and some people may be more familiar with the program than others. Jennifer also suggested that DEP provide an organizational chart (i.e., who does what) since it has been two years for in-person meetings and there have been several retirements.