



GREATER LAWRENCE SANITARY DISTRICT

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April 23, 2015

Mr. Dan Burgess, Task Force Co-Chair
Commissioner
Department of Energy Resources
100 Cambridge St., Suite 1020,
Boston, MA 02114

Ms. Angela O'Connor, Task Force Co-Chair
Chair
Department of Public Utilities
One South Station
Boston, MA 02110

Subject: Net Metering and Solar Panel Task Force
Greater Lawrence Sanitary District – Organics to Energy Project

Dear Co-Chairs Burgess and O'Connor:

The Greater Lawrence Sanitary District (GLSD/the District) owns and operates a regional wastewater treatment facility located in North Andover that serves the communities of North Andover, Lawrence, Andover, Methuen, and Dracut, Massachusetts and Salem, New Hampshire. On behalf of the District, I am writing in support of the important work being undertaken by the Net Metering and Solar Panel Task Force and to request your support for a critical clean energy project being undertaken by the District.

As you know, the Massachusetts Department of Environmental Protection (MassDEP) recently imposed a ban on landfill disposal of source-separated organics (SSO), with the goal of diverting an additional 350,000 tons per year of SSO material from the solid waste stream (state-wide) by the year 2020. This initiative will provide major environmental benefits by preserving available landfill space for materials that cannot be recycled and allowing for the generation of renewable energy from this organic waste, thereby reducing dependence on other fuels.

Concurrently, the GLSD has implemented a program aimed at reducing energy consumption at its treatment facilities and, with this goal in mind, completed an Organics to Energy Feasibility Study in June of 2013. The Feasibility Study evaluated the viability of incorporating SSO co-digestion and biogas fired co-generation systems into the District's treatment process, thereby providing a regional solution for organic waste disposal and producing renewable energy (both heat and power) for use at the District's treatment facility.

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Dan Burgess/Angela O'Connor
Solar Panel Task Force

Since completing that study in 2013, the District has advanced this project to the preliminary design stage, and plans to complete final design in late 2015 and begin construction of co-digestion and co-generation systems in early 2016. This is a project of state-wide importance that provides multiple environmental benefits and, as such, has received significant financial support from the Department of Environmental Protection, the Massachusetts Clean Energy Center, and the Massachusetts Department of Energy Resources. However, even with this support, the financial viability of the project is significantly impacted by the ability of the District to apply net metering to receive credit for energy generated in excess of demands at the District's treatment facility (note that this net metering credit would be applied against energy used for wastewater pumping at a nearby station that is owned and operated by the District).

Unfortunately, at the moment, the net metering cap for the area of the state served by National Grid would prevent the District from applying net metering to the Organics-to-Energy Project, although this net metering would be in support of one of the Commonwealth's major clean energy initiatives. I understand that the Task Force is considering an increase to current net metering caps – I strongly support such an increase and request that, when considering a new cap limit, the Task Force include allowance for the District's Organics to Energy Project. The District's project includes two cogeneration engines, each with a capacity of 1.5 MW (3 MW total); depending upon operating conditions at the District's facility, 1 MW to 2 MW of energy could be available for net metering purposes.

The removal of net metering as a barrier to the Organics to Energy Project will provide enormous benefit to the District's ratepayers by providing a more sustainable, resilient, and cost-effective treatment facility and provide benefit state-wide by providing a reliable, environmentally-friendly outlet for organics materials that can no longer be sent to disposal at landfills or incinerators.

I would be happy to meet with you and other members of the Task Force to discuss our project and the impact of net metering caps on our project in greater detail. In the meantime, if you have any questions or need additional information, please feel free to contact me at (978) 685-1612 ccousens@glsd.org, or Richard Weare rweare@glsd.org. Your assistance in this matter is greatly appreciated.

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COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

Very truly yours,
GREATER LAWRENCE SANITARY DISTRICT

Richard Weare for

Cheri Cousens, PE
Executive Director