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July 25, 2008

- TO: Energy Master Plan Committee
- FR: Richard Nieuwenhuis, President New Jersey Farm Bureau
- RE: Draft New Jersey Energy Master Plan

On behalf of the 13,000 member families of the New Jersey Farm Bureau, I would like to express our support for the State's effort of examining the future energy needs and addressing the ways to meet our energy goals. Of particular importance to the New Jersey Farm Bureau and its members are the opportunities for agriculture to help meet the state's energy needs through the use of renewable sources. While no single action alone will meet all of energy needs, renewable energy represents a very important option for New Jersey agricultural producers by creating new market opportunities for farmers. After reviewing the Draft New Jersey Energy Master Plan, Farm Bureau offers the following comments.

The New Jersey Farm Bureau supports and encourages the development and use of all renewable energy sources including solar, wind and biomass. Renewable sources of energy can help New Jersey diversify energy sources, reduce dependence on fossil fuels and contribute to climate change mitigation. The Draft New Jersey Energy Master Plan represents both the potential for new investments in renewable energy and market opportunities for New Jersey agricultural producers that produce renewable energy. Agricultural biomass is a potential source of renewable energy. Agricultural biomass is a potential source of renewable energy. Agricultural biomass resources include crops, crop residues, animal wastes and other by-products of agricultural production. Until now these resources have remained largely untapped because investments in the technologies and techniques to harness them have not been economically viable in New Jersey. The state needs to encourage the development of renewable energy resources by providing more incentives for companies that create bioenergy to locate in New Jersey. This will help increase the market potential for farmers' crops and agricultural wastes by increasing demand for these feedstocks.

New Jersey could be an attractive location for biodiesel and ethanol production given its proximity to petroleum refineries and distribution centers. The development of an ethanol or biodiesel processing facility when proven to be economically feasible in New Jersey, would provide economic opportunities for New Jersey's agricultural producers and producers from surrounding states. Recognizing the public's concern of food versus fuel, new opportunities for the production of energy crops, such as switchgrass, could emerge as a source for bioenergy feedstocks. Crop residues could also provide feedstock for bioenergy.

Anaerobic digestion of animal wastes and/or food-processing wastes are another important economic opportunity for New Jersey agricultural producers. Currently, the New Jersey Department of Agriculture is responsible for the oversight of the criteria and standards for Animal Waste rule. This new rule requires that all livestock owners have a management plan for livestock manure. Many livestock farmers will be seeking opportunities for waste disposal where land application of animal waste is no longer an option. The development of a regional anaerobic digester that accepts animal wastes would provide an outlet for producers to dispose of excess animal waste and also provide opportunities for energy generation from the waste. Converting waste to energy would also meet regional greenhouse gas initiatives and objectives by reducing greenhouse gas emissions, which help to mitigate the effects of climate change.

The state will need to streamline regulations to improve the process for the construction and operation of such a facility. Providing economic incentives to encourage the development of on-farm anaerobic digesters for farmers is equally important. On-farm energy consumption could be offset by the energy produced by on-farm anaerobic digesters and excess energy could be sold back to the grid helping the public meet those energy needs.

Wind energy and solar energy also represent a market opportunity for agricultural producers. Farmland in certain parts of the state provides expansive open areas where wind power could be harnessed to provide energy for farm use and/or sold to the grid. Therefore, the access to and the availability of anemometer loan programs and trained professionals in measuring wind speed are increasingly important since both are necessary to determine economically feasible locations to position wind turbines on farms.

Farmland and agricultural buildings are also excellent locations for solar panels and photovoltaic energy systems. Energy generated by these systems could be used to supply the farms energy needs. Excess energy would be returned to the grid to assist in meeting the public's energy demand.

Agriculture is well-positioned to help meet New Jersey's renewable energy needs. By championing agriculture's role in meeting those needs, the state can help to support rural economies, meet energy needs using clean and efficient technologies, reduce our reliance on foreign oil, and mitigate the effects of climate change. The state should provide financial incentives to agricultural producers in an effort to encourage this sectors participation in renewable energy generation. New Jersey agriculture represents great possibilities in meeting renewable energy goals and therefore must not be overlooked.

Thank you for the opportunity to comment on the Draft New Jersey Energy Master Plan.

Sincerely,

Richard Nieuwenhuis, President New Jersey Farm Bureau