

This project is an analysis of the cash flow model, created by Vermont Energy Act of 2009, which led to the creation of avoided cost rates available to farms that have implemented anaerobic digesters as an alternative method of generating revenue. This project will briefly touch on what anaerobic digestion is, the unfolding of legislation in relation to anaerobic digestion, and regional energy markets. The focus of our efforts will be on the assumptions made in the cash flow model that is currently used to set the avoided cost energy rates farms receive for methane generated electricity. Our end product will propose an alternative model that will attempt to better match legislative interests with the locational market pricing of electricity.