

SECRETARY FOR ENVIRONMENTAL PROTECTION

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD



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October 9, 2008

California Energy Commission Docket Office, MS-4 1516 Ninth Street Sacramento, CA 95814-5512

Re: No. 08-IEP-1 and No. 03-RPS-1078

Dear Sir/Madam,

The California Integrated Waste Board (Board) is writing to express support for implementing a Feed In Tariff mechanism for California and is closely following CEC's efforts in determining how such a system would work to achieve the stated renewable energy retail sales goals of 20% and 33% by 2010 and 2020 respectively. The Board is particularly interested in ensuring that a Feed in Tariff system provides structural incentive to small (<20 MW) energy producers that use biomass feedstocks and corresponding processing technologies to produce renewable energy from the organic fraction of the municipal waste stream that would otherwise end up in California's landfills.

The Board has been active in researching and promoting the use of these technologies including but not limited to gasification, pyrolysis, and anaerobic digestion (AD). We are also working closely with other agencies and stakeholders to demonstrate these technologies and explore their potential for commercialization while maximizing the front-end recovery of materials for recycling, meeting strict cross-media performance standards to protect public health, safety and the environment and resulting in a net reduction in GHG emissions. We believe that a Feed In Tariff system could be instrumental in creating the correct financial incentives that would provide accurate pricing and capitalization information to potential investors of these technologies.

In addition to the renewable energy benefits that such technologies would provide, the Board has been working closely with the California Air Resources Board (through the AB 32 Scoping Plan process) in delineating how these technologies can be used in reducing greenhouse gas emissions from avoided landfill disposal of organic materials. One of the centerpieces of our greenhouse gas reduction strategies in the Scoping Plan is the promotion of AD technologies to process organic waste to produce biogas and other energy products. We feel that a Feed In Tariff system, as envisioned by the CEC, would

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help set the financial framework for widespread adoption of AD and other technologies to meet energy, global warming, waste management and other policy considerations.

We have begun a review of CEC and Board regulations and guidelines to determine how a Feed In Tariff mechanism would interact with the current regulatory framework and have cursorily identified several areas in the regulations and the Renewable Portfolio Standard Eligibility Guidebook that may need to be modified to facilitate the inclusion of renewable energy from the organic fraction of the municipal waste stream in the Feed In Tariff system. We anticipate working closely with CEC staff on these and other issues as they arise in the coming months. In the interim, we look forward to working with CEC on this important endeavor and will make our staff available to work through outstanding programmatic and policy issues.

Respectfully,

Fernando Berton, Manager

Research & Applied Technology Branch

Cc: Howard Levenson, Director, Sustainability Program
Brenda Smyth, Division Chief, Statewide Technical & Analytical Resources