

**DOCKETED**

<b>Docket Number:</b>	18-MISC-03
<b>Project Title:</b>	Renewable Energy for Agriculture Program
<b>TN #:</b>	225066
<b>Document Title:</b>	CalBio comments on REAP program
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	CalBio/Andrew Craig
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	10/22/2018 4:59:20 PM
<b>Docketed Date:</b>	10/22/2018

*Comment Received From: Andrew Craig*  
*Submitted On: 10/22/2018*  
*Docket Number: 18-MISC-03*

**CalBio comments on REAP program**

*Additional submitted attachment is included below.*



Helping dairies fuel a renewable future

324 S. Santa Fe, Suite A

Visalia, CA 93292

559-667-9560

October 22, 2018

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street

Sacramento, California 95814

[www.energy.ca.gov](http://www.energy.ca.gov)

**RE: California Energy Commission's Draft Guidelines for the Renewable Energy for Agriculture Program (Second Version)**

**Docket #: 18-MISC-03**

Dear California Energy Commission:

California Bioenergy LLC (CalBio) appreciates the opportunity to submit comments on the California Energy Commission's Draft Guidelines for the Renewable Energy for Agriculture Program (Second Version).

CalBio is a California developer of dairy digesters generating renewable electricity and in the near future will produce biomethane to be used for vehicle fuel as a replacement for diesel. Founded in 2006, CalBio has worked closely with the dairy industry, state agencies, utilities and the biomethane supply chain to develop programs to help the state achieve its methane reduction goals while advancing local environmental impacts. We partner with dairies to lower the environmental impact of their operations while at the same time providing a new revenue source and advancing local economic development.

### **Eligibility Requirements**

CalBio would appreciate clarity on the eligibility requirements to learn if it and/or its affiliate CalBioGas LLC are eligible to apply to the REAP program. Currently, the draft solicitation states that:

*Eligible entities shall include private land owners, individuals, sole proprietors, corporations, local governments, academic and nonprofit organizations, joint powers authorities, and tribal governments.*



324 S. Santa Fe, Suite A  
Visalia, CA 93292  
559-667-9560

*Applicants must meet the following requirements:*

- 1. Applicant must own or operate one or more agricultural operations (defined below) located in California that is/are the site for the proposed project.*
- 2. If the applicant is the operator of the agricultural operation, the owner of the land on which the proposed project will be installed must provide written support for and approval of the proposed project, including approval of the right to operate for the duration of the project life.*

CalBioGas LLC has many dairy farm investors who own and operate agricultural operations. CalBioGas LLC also owns digester projects which themselves may be interpreted as agricultural projects, since digesters are an integral part of a dairy farm, and thus a digester itself may be viewed as an agricultural operation.

### **Centralized Biogas Upgrade Facility**

CalBio and CalBioGas are planning to build and own dairy biogas “clusters” in which biogas from multiple dairies will be piped to a centralized upgrading facility where it will be cleaned up and injected into utility pipelines for use as vehicle fuel. We would like to ensure such a project will be eligible for the REAP program. Although the centralized upgrading facility will not be directly used in the operation of the dairy facility itself, it will indeed qualify as a project “proposed for implementation on properties engaged in agricultural operations” as defined in the eligibility section of the solicitation.

These projects will utilize commercially available onsite renewable energy technology which will result in a significant reduction in GHG emissions and local criteria pollutants. Perhaps the only negative environmental impact of these projects is the need to purchase electricity from the grid in order to compress the gas and bring it up to utility pipeline specifications. These compression costs will likely be the largest operational costs associated with a dairy pipeline injection project. CalBio would like the opportunity to utilize this grant program to install photovoltaic (PV) systems which will help reduce reliance on the grid.

CalBio would like to ensure that these projects are eligible given that they will directly serve “agricultural operations”. The installation of a digesters is a key component of managing the manure waste from the animals, and installing the gas upgrading equipment and injection of the pipeline will undoubtedly provide a beneficial use of the biogas, including a decrease in air pollution and investment in the community.

We would like to thank CEC staff for the opportunity to comment and we look forward to working together in the future.



324 S. Santa Fe, Suite A  
Visalia, CA 93292  
559-667-9560

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Craig", with a large, stylized flourish at the end.

**Andrew Craig**  
*Director of Greenhouse Gas Reduction Initiatives*