

DOCKETED

Docket Number:	18-MISC-01
Project Title:	Food Production Investment Program
TN #:	228390
Document Title:	Agricultural Council of California Comments Food Production Investment Program
Description:	N/A
Filer:	System
Organization:	Agricultural Council of California
Submitter Role:	Public
Submission Date:	5/28/2019 9:29:22 AM
Docketed Date:	5/24/2019

Comment Received From: Agricultural Council of California
Submitted On: 5/28/2019
Docket Number: 18-MISC-01

Food Production Investment Program

Additional submitted attachment is included below.



May 24, 2019

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 18-MISC-01
1516 Ninth Street
Sacramento, CA 95814-5512

To Whom It May Concern:

Agricultural Council of California (Ag Council) is a public policy association representing more than 15,000 farmers across California, ranging from small, farmer-owned businesses to some of the world's best-known brands. Many of our members participate in the statewide cap and trade program and several others have been grant recipients of the Food Processing Investment Program (FPIP). Ag Council appreciates the opportunity to comment on the proposed changes to the program.

Ag Council supports ongoing efforts of FPIP to reduce greenhouse gas (GHG) emissions throughout the food processing sector in an incentive-based way and believes this program has been successful in that regard. The California Energy Commission (CEC) has structured FPIP in a way that is easy to understand, timely and efficient. CEC staff has been responsive to industry concerns as well.

Ag Council supports continuing the prioritization of projects for capped facilities. While some funds have gone out to businesses outside of the cap, keeping this prioritization in place is imperative to assist those dealing with the regulation. In Ag Council's internal discussions with its membership, we are finding that many capped facilities made some of the "easier" changes to their practices to reduce emissions in an effort to reduce costs in cap and trade prior to the creation of FPIP. Therefore, some of their projects are likely to be larger and costlier. Incentive dollars go a long way in assisting with those types of advances.

However, we do still support keeping the applicant pool open to those outside of the capped sector in an effort to reduce emissions throughout the food system. Many facilities outside of the capped sector still believe that they do not qualify for this program, so we urge CEC, and the Administration, to increase its outreach to those outside of the cap and trade program in an effort to increase awareness about these opportunities.

In an effort to increase the scope and types of projects funded by FPIP, we are hopeful that CEC would reconsider its requirement that "eligible applicants/facilities" have GHG reductions at the facility level only. This condition greatly reduces the scope of the types of projects allowed in the program. GHG emissions have equal environmental impact, and

should not be prioritized in this arbitrary way. This requirement is a challenge from a food system standpoint as reductions could occur in other areas throughout the supply chain that may or may not be located at the facility level, and those reductions should be given equal credit.

Additionally, Ag Council respectfully requests that CEC create a more flexible (or increased) timeline for the project application process. Many food processors are working on fiscal years in the future from a capital expenditure standpoint, so decisions on next years funds have already been made by the time the CEC solicitation has been released. Flexibility should be created in the application process to consider companies that have already made those planning decisions.

Thank you for your time and consideration of our comments. If you have any questions, feel free to call me at (916) 443-4887. We look forward to working with you.

Sincerely,

A handwritten signature in cursive script that reads "Emily Rooney".

Emily Rooney
President

