

## DOCKETED

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*Comment Received From: Julia A. Levin*

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**BAC Comments on the Electric Program Investment Charge 2018 – 2020 Triennial Investment Plan**

*Additional submitted attachment is included below.*



March 20, 2017

Ms. Laurie ten Hope, Deputy Director  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 94708

**Re: Electric Program Investment Charge 2018 – 2020 Triennial  
Investment Plan**

Dear Ms. Ten Hope:

The Bioenergy Association of California (BAC) submits these comments on the proposed investment plan for EPIC. BAC, which represents more than 60 public agencies and private companies working to convert organic waste to energy, strongly supports the EPIC program, which has enabled many important bioenergy projects and continues to play a critical role in moving the bioenergy industry forward. BAC urges the Commission to continue to prioritize funding for forest biomass projects as required by the Governor's Emergency Proclamation and Order on Tree Mortality and to help meet the requirement of SB 1122 (Rubio, 2012) to develop small-scale forest biomass facilities.

SB 1122 requires 50 MW of small-scale forest biomass because of the importance of these facilities to help reduce catastrophic wildfires in California. Wildfire is by far the largest source of black carbon, which is one of the most powerful climate pollutants – 3,200 times more potent over a twenty year period than carbon dioxide – and the single largest source of Short Lived Climate Pollution in California. Wildfire also threatens public health and safety, water quality, wildlife habitat and local economies in forested regions of the state.

Wildfire also threatens utility and ratepayer interests. Wildfire causes millions of dollars in damage to utility infrastructure and utilities must also pay damages to property owners for fires started by utilities. The Valley Fire in 2014 caused \$150 million in damage to utility and power infrastructure, and the Rim Fire in 2013 caused tens of millions of dollars in damage to utility infrastructure (and nearly \$2 billion in damages overall). The Rim Fire also came dangerously close to the Hetch Hetchy reservoir where it threatened water supply and quality as well as hydropower infrastructure.

Governor Brown's Emergency Declaration on Tree Mortality (October 2015) also calls for several measures to promote small-scale forest biomass projects that take fuel from High Hazard Zones, including measures to expedite

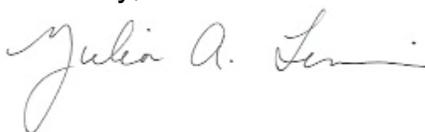
interconnection for new projects and to prioritize EPIC funding. While the CEC prioritized funding in 2016, there was far greater demand for the funding than there was funding available (in the two forest related categories, the funding was oversubscribed two- and three-fold). Since the Emergency Proclamation is ongoing – and CalFire has stated repeatedly that the Tree Mortality Crisis will last for many years still - the requirement to prioritize EPIC funding for small-scale forest biomass projects has not changed. The Order requires the CEC to continue to prioritize forest biomass in the 2018-2020 Triennial Investment Plan. In addition, the only projects currently participating in the SB 1122 program – now known as the BioMAT – are projects that have received EPIC funding and continued EPIC funding is critical for the forest BioMAT to be successful.

There are a number of R&D, TD&D and Market Facilitation areas where EPIC can help to meet the requirements of the Emergency Proclamation and SB 1122, including at least:

- Comparing the emissions and benefits of various gasification technologies;
- Piloting and comparing different technologies for biomass interconnection to better understand interconnection requirements in different regions;
- Developing the tools to begin to standardize and reduce interconnection costs;
- Quantifying climate (GHG and SLCP) emissions and reductions from forest biomass projects, including sequestration benefits of biochar when used to restore carbon to forest or agricultural lands;
- Identifying market potential for biochar and biosolids producing during bioenergy generation, and how an increased market for these coproducts can help to reduce the costs of forest biomass;
- Improved emissions control measures;
- The potential for biomass power to be converted to gas (Power to Gas) for energy storage and other benefits; and
- Better understanding the grid benefits of forest biomass energy and how to maximize the benefits for the grid.

We urge the CEC, therefore, to put include much greater focus on forest biomass in the Triennial Investment Plan to meet the requirements of the Emergency Proclamation on Tree Mortality and SB 1122. Unlike other bioenergy sectors, forest biomass projects have not received funding from the Greenhouse Gas Reduction Fund, and are not identified in the Governor's current budget proposal to receive GGRF funding. It is critical, therefore, to continue to prioritize funding for forest biomass in the Triennial Investment Plan.

Sincerely,



Julia A. Levin, Executive Director