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June 6, 2017

Robert B. Weisenmiller, Chair
California Energy Commission
1516 Ninth Street, MS-39
Sacramento, CA 95814

RE: 2017 Integrated Energy Policy Report Update; Biomass Energy

Dear Commissioner Weisenmiller,

As members of the California Roundtable on Agriculture and the Environment (CRAE), we are writing to urge the Commission to frame and release goals for biomass adoption in the 2017 Integrated Energy Policy Report (Docket # 17-IEPR-01). Given the state's energy and climate goals, unprecedented drought and tree mortality crisis, and world-class agricultural sector, the time is now for the IEPR to aggressively support the production and utilization of biomass energy.

CRAE is California's preeminent forum for state-level leaders to find common ground and collaborate to support agriculture and improve environmental outcomes. In 2016, CRAE examined farm and forestry biomass dynamics and trends, conversion methods, and the need to find new solutions for organic/woody waste in California. Our assessment highlighted ongoing waste and invasive pest challenges for CA farms and forests, specific remedies for the supply chain and conversion methods, and echoed long-standing calls for a statewide agenda for biomass energy. Additionally, our assessment found tremendous potential for increased biomass utilization throughout the value chain and in a variety of outputs - all of which contribute to goals above and beyond our renewable electricity goals.

As you are aware, the expiration of price support for biomass energy led to the discontinuation of contracts with energy facilities across the state, leaving producers with few options and massive wood waste to reconcile. Not only is biomass energy crucial to CA's energy supply, it is vital to producers, resource and waste managers, rural economic development, and helps the state meet GHG reduction and renewable energy goals. A troubled biomass economy not only impairs CA producers, but weakens our ability to generate renewable electricity and meet SB 350 goals (De Leon, 2015). In 2016, biomass energy accounted for 12% (8000 GWh) of electricity generated from renewable facilities. The ongoing diversification of CA's renewable energy sectors is crucial to our economy and environment.

What is needed to advance biomass energy as a key renewable in California?

1. **A cohesive statewide agenda for biomass energy production:** Solutions must reflect the realities across sectors - agriculture, forestry, municipal waste.
2. **Research to properly value and account for ancillary benefits:** Technology, fuel, and transportation costs are often cited as cost-prohibitive limitations of biomass energy production in comparison to other renewables. This pricing dynamic fails to account for the tremendous environmental, economic and public value of a thriving biomass energy sector. Absent a more robust means of accounting, biomass energy production will be severely undervalued and unable to meet any least cost-best fit criteria.
3. **Aggressive incentives for biomass energy production similar to those afforded other renewables.** California's abundant farm, forest, and municipal residues provide a steady, predictable source of baseload energy, complementing the oftentimes unstable patterns of other renewables.
4. **Sector-specific, regionally-based analysis and support for biomass production and infrastructure.**
5. **Intentional consideration of the potential benefits and impacts of renewable energy development:** Great care should be taken to assess and mitigate any impacts of renewable energy development when implementing biomass energy solutions.

Biomass energy production is uniquely situated to advance the causes of the environment, economy, and society by reducing impacts of non-renewable production, improving air quality (through the reduction of agricultural burning and improvement of forest health), enabling access to local energy, and reducing poverty through job creation and rural economic development.

This is a rare moment of public attention where we can meet mutual goals across sectors and across traditional urban and rural divides. California has long been at the forefront of combating climate change and, to that end, diversifying of our energy portfolio. As we work to meet SB 350 renewable procurement goals, biomass should remain a key source, and we urge you to include language in the IEPR to assist and advance biomass energy production in California.

CRAE is pleased to remain available to provide additional language or collaboration as the IEPR process moves forward.

Sincerely,

The Undersigned Members of the California Roundtable on Agriculture & the Environment*

CRAE Members

Ag Council of California
American Farmland Trust
Audubon California
CA Association of Resource Conservation Districts
CA Farm Bureau Federation
CA Fresh Fruit Association
Community Alliance with Family Farmers
Defenders of Wildlife
Douglas McGehee
Gabriele Ludwig, Almond Alliance
Martin Family Ranch
Rominger Brother Farms
San Joaquin Resource Conservation District
The Gualco Group
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CRAE Institutional Partners include:

CA Department of Conservation
CA Department of Food & Agriculture
CA State Water Resources Control Board
Governor's Office of Business & Economic Development
Sacramento-San Joaquin Delta Conservancy
UC Davis Ag & Environmental Science
UC Agriculture & Natural Resources

cc: **California Energy Commission**
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