



March 16, 2006

California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Comments of the California Farm Bureau Federation on the Draft
Bioenergy Action Plan/Docket 06-BAP-1

Commissioners:

The California Farm Bureau Federation ("Farm Bureau")¹ is submitting these comments on the Draft Bioenergy Action Plan ("Draft Plan") for the purpose of supporting the movement forward in development of comprehensive goals and strategies for bioenergy. It is important to acknowledge and commend the thoroughness of the information and details underlying the Draft Plan. Only with substantive reliable information can there be progress in the development of a viable bioenergy market in California.

There is much to be support in the Draft Plan. In these comments, however, Farm Bureau will focus on support of three recommendations made in the Draft Plan:

1. Creation of a positive environment for bioenergy production and consumption, as well as the necessary impetus for investment in new facilities that use California's abundant biomass resources.
2. Enhancement and acceleration of California's existing research, development and demonstration. (RD&D)
3. Promotion of awareness of the importance of and benefits of bio energy.

¹ Farm Bureau is a voluntary, non-profit corporation representing more than 88,000 members throughout California. California farmers and ranchers sell \$24.8 billion in agricultural products annually, accounting for 9 percent of the gross state product, and hundreds of thousands of jobs in California. Farm Bureau's members expect to pay in excess of \$850 million for their electric service.

As has become evident in many aspects of California's energy policy, entities investing here need a clear expectation of the rules within which they must operate and confidence that the rules will not fluctuate to a degree that affects the business decisions necessary to operate. The Draft Plan recognizes the importance of a cohesive strategy and provides important tools for achieving more consistency.

At page 19 of the Draft Plan several initiatives in California are identified relating to biomass. As they move forward, it is important that the policy goals and implementation plans be coordinated in order to provide interested stakeholders the necessary confidence to move ahead with specific plans. Another key initiative relating to energy is the California Energy Action Plan to which the Energy Commission is a participant. Certainly any opportunities for advancing the development of bioenergy should be included in that policy document integral to California energy policy.

The Draft Plan identified a key benefit of biomass power that has not often been highlighted – the transmission benefits. In addressing key benefits of costs associated with biomass power it is pointed out that siting advantages can reduce the need to develop expensive transmission lines. Given the various constraints on siting transmission lines in the current environment, such an advantage must be included in any policy discussion of the benefits of biomass.

California, specifically the Energy Commission, expends significant funding on a variety of energy related opportunities. The Draft Plan sets out options for funding that might be pursued, but many require approvals that are tenuous at best. Focus should continue on funding that is currently available and leveraging other concrete opportunities. The Draft Plan identifies a number of technologies and the various barriers to full utilization of them. The Energy Commission serves a unique role in providing opportunities for research and development leading to reductions in those barriers. And the various policy initiatives can and should provide important vehicles to bring together the industries and stakeholders the Draft Plan identifies as being key to the advancement of bioenergy opportunities.

Fundamental to the continued development of bioenergy will be substantiated information about its attributes. The Draft Plan provides essential details for furthering the industry. Farm Bureau strongly supports the use and further development of biomass power and biofuels. Unique to many industries in California, bioenergy provide the opportunity for both in-state creation and use of the product, thereby substantially enhancing its economic benefits.

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Farm Bureau supports the adoption of the Draft Plan and urges the Energy Commission to continue supporting programs and actions that it has identified within its purview. The Draft Plan will be a key tool for development of the industry as it provides a comprehensive analysis and review of the implementation vehicles to create a strong bioenergy market in California.

Respectfully submitted,

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