

June 11, 2007

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 06-AFP-1
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Alternative Fuels Transportation Plan

Imperial Bioresources is pleased to comment on the Alternative Fuels Transportation Plan as it relates to the development of an in state ethanol and other renewable energy resources in the Imperial Valley.

Imperial Bioresources and its' principles have been engaged for the past eight years in growing sugar cane in the Imperial Valley as well as actively pursuing project development of a combined sugar beet and sugar cane processing facility. This existing sugar beet factory currently processes 25,000 acres of sugar beets annually, grown by more than 65 individual growers. Sugar beets are a highly sought after crop as they have been consistently profitable. Beets have been grown and processed in the Imperial Valley since the mid 40's in the existing coal fired sugar beet factory and are economically a very important crop. By adding the ability to process 20,000 acres of sugar cane to the existing factory, many important economic and environmental improvements occur.

1. Plant utilization is doubled as the two crops are harvested at opposite times of the year.
2. Sugar cane is added as a new and profitable crop choice.
3. Biomass fuel from sugar cane will replace all of the coal currently being used today as well as the natural gas usage. 20,000 tons annual usage of coal will be eliminated as well as the transportation of the coal all the way from Colorado and Utah.
4. The additional biomass will be utilized to co-generate green power for sale on the grid and will also insulate this factory from fossil fuel pricing.
5. The remaining lower quality steam along with waste sweet water sources will be utilized in conjunction with corn and molasses to produce 55 million g/y of ethanol.
6. CO₂ production from fermentation will be utilized in the sugar refining process rather than being vented to the atmosphere. By using this CO₂, the need to import over 3,800 tons of coke will be eliminated along with the natural gas needed to produce carbon dioxide. Reuse of CO₂ amounts to a direct reduction of GHG.
7. With the improvements within the factory, numerous water reuse opportunities will keep total factory water usage at about current levels while production will double.
8. The integration of an ethanol plant helps to maximize energy utilization to match available steam serving to limit the impact of fluctuating corn and fuel prices.

9. By integrating a renewable energy power plant with sugar production and ethanol production, a new commercial energy crop will be created where growers will strive to maximize BTU's per acre.

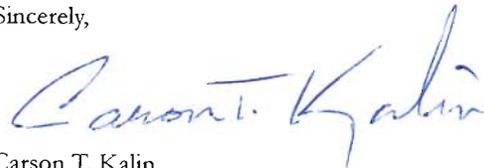
As our coastal plane population continues to grow, our use of resources will come under closer and closer scrutiny. Although sugar cane does use slightly more water than our most common crop alfalfa, the economic value per acre foot of applied water derived from sugar cane far exceeds that of alfalfa in addition to creating a renewable energy supply with ethanol, power and sugar. Ultimately, the highest return per acre foot of water will determine what crops are grown. Other beneficial effects that accrue will be reduced fossil fuel usage because of a single annual harvest with cane as compared to alfalfa's 10 harvests per year. New cane irrigation techniques add more control, a reduction of drain water and virtually eliminate silt run off due to more efficient irrigation practices. It is even possible to use sugar cane irrigation as an irrigation district buffer to absorb excess flows after summer rains. Rather than allow these excess silt laden flows to enter the Salton Sea, the excess could easily be diverted onto sugar cane fields.

Given the proper encouragement and incentives, Imperial Valley can be a major natural renewable resource not only for transportation fuels but also in helping to achieve the Governor's Green House Gas Initiative. These incentives could include loan guarantees, recognition of carbon sequestration of the sugar cane crop when utilized as a renewable energy source, and a Grower Carbon Tax Credit as an added incentive at the grower level.

The Imperial Valley is unique in its' near limitless renewable energy potential.

Thank you for your hard work in formulating this report. We look forward to positive legislative action to help our fledgling renewable energy industry thrive in the Imperial County and the State of California.

Sincerely,



Carson T. Kalin
Imperial Bioresources, LLC
Chief Operating Officer