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California State Senate

SENATOR
CHRISTINE KEHOE
THIRTY-NINTH SENATE DISTRICT



July 3, 2008

James D. Boyd, Commissioner
California Energy Commission
1516 Ninth Street, MS-34
Sacramento, CA 95814

Dear Commissioner Boyd:

I am writing to inquire as to the status of the implementation of AB 118 (Nuñez), and to inform you of some very promising research currently being developed in my district to turn single-celled algae into gasoline, diesel and potentially jet fuel.

Under AB 118, the CEC is authorized to award approximately \$120 million annually as grants and loans to qualified entities to develop and deploy innovative fuel and technologies that will help achieve California's petroleum reduction, air quality, and climate change goals. It is my understanding that CEC staff are now in the process of preparing an RFP or series of RFPs, as part of its authorization under AB 118.

Before your process is complete, I wanted to inform you about research already under way in my district from a consortium of researchers from UCSD, neighboring research institutions, and the private sector, who are developing single-celled algae into fuel.

The benefits of algae as a feedstock appear to be many, and include needing few added nutrients, energy directly from sunlight, ability to remove CO₂ from the air and efficiently remove nitrogen and phosphorous from waste water, potentially cleaning our water in the course of producing biofuels.

I am sure you will agree that having this kind of research based in California and developed, in part, by our state's very own educational research centers is the type of research we want to promote and foster.

Therefore, I hope that the CEC's competitive RFP process will ultimately serve as a resource to this San Diego-based consortium in its efforts to optimize algae as an efficient and economical source of biofuel.

I would greatly appreciate any update you might be able to provide as to a likely timeframe for the emergence of these RFPs, and would also be interested in a related briefing on this process at an appropriate time.

Thank you in advance for your consideration.

Sincerely,

CHRISTINE KEHOE
Senator, 39th District

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DOCKET 08-ALT-1	
DATE	JUL 03 2008
RECD.	JUL 08 2008