

Statement by James L. Stewart
Chairman of the Board,
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Alternative and Renewable Fuel and Vehicle Technology Program
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My name is Jim Stewart and I have the honor of serving as Chairman of the BioEnergy Producers Association, an alliance of companies dedicated to the environmentally sensitive manufacture of advanced biofuels, chemicals and green power from sustainable carbon-based feedstocks. Among others, our membership includes electric utilities, waste haulers, biobased technology companies and engineering and consulting firms from all areas of the state.

We strongly support the goals that the Energy Commission has established for its Alternative Fuel and Vehicle Technology Program, most particularly the fact that this is the first broadly-based program in the state's history that includes waste-to-energy as an essential element in low-cost domestic advanced biofuels production, a goal consistent with the findings and recommendations of the Governor's Bioenergy Action Plan.

The CEC's briefing papers on the program state, "The focus of the Program is to deploy alternative and renewable fuels in the marketplace without adopting any one preferred fuel or technology." The CEC is to be commended for this, because all advanced forms of liquid and electric energy production will be required if the state is to achieve energy independence, while complying with new standards for greenhouse gas emissions and weaning itself from dependence on fossil fuels.

Our Association also strongly supports the sustainability goals presented in the CEC's briefing papers, and in particular the statement that "The Energy Commission can encourage alternative fuel and transportation projects to minimize environmental impacts and natural resource use by recognizing projects that maximize the use of waste stream materials as their feedstock."

40 million tons of municipal waste were placed in California's landfills in 1989, the year AB 939 was passed. After a dedicated twenty-year statewide effort, California has achieved a recycling rate of 54% (14% of which, by the way, is comprised of green wastes that are being placed in landfills for use as alternate daily cover). And yet, this year, the state will still dispose of 42 million tons of post-recycled municipal waste. In Los Angeles County, we create about 220,000 tons of trash per week, enough to fill Dodger stadium every nine days.

And as California's population is expected to grow by some 10 million people over the next 25 years, this trend is destined to continue.

Conversion technologies, however, theoretically could produce some 2.7 billion gallons of advanced biofuels and 2,500 MW of power from those 42 million tons of post-recycled municipal waste. That is almost three times the amount of ethanol that was imported into the state last year.

However, in order to become meaningful contributors to the production of advanced biofuels in California, bioenergy producers need a level playing field—and the cooperation of all branches of government.

It is pure head-in-the-sand politics for the legislature to believe that the volume of material that is being placed in California's landfills can be significantly reduced, let alone achieve the holy grail of zero waste, through source reduction, traditional means of recycling and composting alone.

A key factor in the successful implementation of AB 118, therefore, is the creation of an enabling regulatory structure that treats and permits all biofuels production plants as manufacturing or industrial facilities, regardless of their feedstocks. Such plants will be subject to stringent State air quality and waste discharge requirements, as well as local land use permits. Biorefineries that rely in whole or in part on the conversion of waste materials are not waste facilities, and need not be permitted as major solid waste disposal facilities, as is now required by statute. CIWMB oversight, where appropriate, should be limited to the public health and safety aspects of feedstock handling.

In the allocation of funding from the AB 118 program, the CEC should be able to treat all advanced biofuels technologies on an equal footing, and the only criteria that should be applied are the CEC's Sustainability Standards.

We also support the CEC's focus on developing the marketing infrastructure to support E85 and ethanol blends above E10. We can't produce the ethanol required for the statewide introduction of E85 with corn and switchgrass alone. The key to in-state production of higher biofuel blends lies in the utilization of California's largest biomass resource supplies—namely, agricultural, forestry, and urban wastes—and we need the retail outlets for E85 to justify the capital investment necessary to produce that volume of ethanol.

Our industry is prepared to invest private dollars now to demonstrate the commercial viability of clean technologies that can turn the full spectrum of California's carbonaceous waste materials into major sources of green power and liquid energy in a manner that advances sustainability goals. It is happening elsewhere across the country.

The BioEnergy Producers Association looks forward to participating in the Sustainability Working Group and supporting the Energy Commission in the crafting of this program.