



CALIFORNIA FARM BUREAU FEDERATION

2300 RIVER PLAZA DRIVE, SACRAMENTO, CA 95833 · PHONE (916) 561-5500 · FAX (916) 561-5699

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September 17, 2008

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 08-ALT-1
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Docket No. 08-ALT-1/Comments on Committee Workshop for
Alternative and Renewable Fuel and Vehicle Technology Program

The California Farm Bureau Federation (Farm Bureau) appreciates the opportunity to comment on Docket No. 08-ALT-1 and the AB 118 Program. Farm Bureau represents approximately 91,000 members throughout California, some of whom may be in a unique position to participate in the AB 118 Program by growing alternative fuels to meet society's energy needs. It is important for the AB 118 Program Guidelines to provide a meaningful opportunity for California's farmers to participate in the program by adopting standards that fit California's diverse climates and cropping patterns.

Farm Bureau only has minor recommendations regarding the language included in the Proposed Draft Regulatory Language. Farm Bureau strongly recommends maintaining the reference to the state's natural resources (subsection (a) of the Sustainability Goals section) and not removing reference to the state. This language comes directly from AB 118 (Health and Safety Code Section 44272 (b)(5)) and should not be altered to require review of the effects on any natural resources, but should remain as ensuring protection of California's natural resources.

Beyond the language, Farm Bureau would like to take the opportunity to comment generally on the implementation of this new program. Certain segments of California agriculture are well positioned to utilize the opportunities presented by the development of alternative and biofuel markets. California agriculture is held to arguably the most stringent environmental standards in the world. As California creates a funding stream to promote alternative fuels to improve California's environment, it is important to recognize the significant

values that growing crops as a source of alternative fuels within California provides.

There are current opportunities to promote the production of sugar cane in California's Imperial Valley, and as technologies improve there will be other opportunities throughout California for fuel crop development. It is important to create a system that recognizes the benefits of producing fuel crops within the state. If the California Energy Commission (CEC) instead creates a system that requires such high sustainability goals, as to be unachievable by California agriculture, we will simply be exporting our environmental degradation. Instead we should create a system that allows California's cropping patterns to meet sustainability guidelines and participate in the AB 118 Program.

Federal law includes a definition of sustainable agriculture (7 USC Agriculture § 3103(18)), which should be recognized by the CEC and help inform the process to select sustainable agriculture standards. It provides:

- (18) The term "sustainable agriculture" means an integrated system of plant and animal production practices having a site-specific application that will, over the long-term—
 - (A) satisfy human food and fiber needs;
 - (B) enhance environmental quality and the natural resource base upon which the agriculture economy depends;
 - (C) make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls;
 - (D) sustain the economic viability of farm operations; and
 - (E) enhance the quality of life for farmers and society as a whole.

It is also important to recognize the current status of standards for sustainable agriculture. Any standards in existence today are in their infancy and new standards are announced frequently. There are broad efforts to develop sustainable agriculture standards, but no comprehensive set has been approved.

Further, the CEC should recognize the diversity of California agriculture within the state and the significant differences of agricultural systems between California, other states, and other countries. A sustainable agriculture standard developed for corn or soybean production in the Midwest would not be applicable to California agriculture. Some of the important features that need to be included in sustainable agriculture standards for California are the recognition of our different climates (California has very different rainfall patterns than the Midwest, which create different water quality challenges.), differences between crop protection tools available to California farmers, and access to genetic modification technologies to improve the energy available in potential fuel crops.

This list is not exhaustive, but provides an idea of areas to consider when identifying standards.

Farm Bureau would caution against using detailed practice based certification systems and instead focus on process based standards. Practice based standards are extremely rigid and only allow certification if a grower has followed the list of prescriptive practices. Conversely, process based standards require growers to make continual improvements to their farms in specific categories. Process based standards can ultimately provide greater environmental benefits, because farmers are continually improving rather than completing a particular practice and doing nothing further.

Farm Bureau urges the CEC to thoughtfully consider its desire to limit lands used for growing alternative fuel crops to those already in production as irrigated land. California's current drought has forced many farmers to fallow lands. These fallowed lands should not be discriminated against under the AB 118 program, simply because of the state's current water shortage. Additionally, it is important to recognize non-irrigated agricultural lands may be prime candidates for alternative fuel crop production as new crops are developed with higher energy values and lower water needs.

We look forward to working with the CEC to identify practices and programs that support certified sustainable production of alternative and renewable fuels.

Very truly yours,

California Farm Bureau Federation

/s/ - Noelle Cremers

By: _____

NOELLE CREMERS
Director, Natural Resources and Commodities
1127-11th Street, Suite 626
Sacramento, CA 95814
(916) 446-4647
Email: ncremers@cfbf.com