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DOCKET 10-BAP-1	
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California Energy Commission
Dockets Office, MS-4
RE: Docket No. 10-BAP-1
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Preparation of the 2011 Bioenergy Action Plan (Docket No. 10-BAP-1)

Dear Commissioners:

On behalf of Clean Energy Fuels Corp. ("Clean Energy"), I respectfully submit the following comments on the Draft 2011 Bioenergy Action Plan.

Clean Energy supports the initiative to have the Energy Commission, ARB, CalRecycle and CPUC work with the California gas utilities through a public process to address and resolve barriers to introducing landfill gas into the California natural gas pipeline system. We agree with the comments submitted by Susan Patterson on behalf of the Gas Technology Institute that adequate controls are available to ensure that this gas is safe and environmentally benign. Landfill generated biogas is the most economically feasible biogas to collect and condition to pipeline quality in a meaningful scale. Pipeline injection is critical to the State's ability to use the biogenic methane gas resource that is produced by the decomposition of organic waste in the State's landfills. Alternative uses of this considerable carbon neutral, renewable energy resource are not currently feasible in California: on site power generation is difficult if not impossible to permit in the majority of the districts in which landfills reside, on-site vehicle fueling is impractical in any scale given that fleet fueling operations are only cost-effectively carried out at convenient vehicle yards (not landfills) and liquefaction of the biomethane is extremely expensive and can only be done in large scale. Injection of properly conditioned biomethane that is as clean or cleaner than conventional, fossil fuel natural gas is critical in order to efficiently distribute the product to end users seeking carbon neutral and renewable energy resources.

Clean Energy also believes that renewable natural gas should be treated similarly to renewable electrons placed into the electric grid (i.e., once the renewable pipeline quality natural gas is injected into an interstate, intrastate or utility pipeline system anywhere in the nation, it should be available for purchase in California). This would eliminate the cost and difficulties of tracking it through the various interconnecting pipelines. This is congruent with the State of California's goal to create the largest amount of carbon reductions and the greatest production and use of renewable fuels. Currently, due to the California utilities'



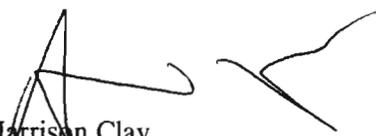
prohibitions on landfill gas injection and strong reservations about acceptance of other pipeline quality renewable natural gas into their pipelines, the only renewable natural gas available to California entities that wish to lower their carbon footprint is produced out of state. Eliminating the pipeline tax that is imposed on out-of-state producers would enable producers to invest in their projects, as opposed to paying fees to pipeline companies, and result in further reduction in greenhouse gas emissions and greater availability of carbon neutral fuels in California.

We also support the Energy Commission funding for research to reduce the cost of biomethane gas clean up to meet gas quality standards for use as a transportation fuel or injection into the natural gas pipeline. In order for the production of renewable natural gas to be economically sustainable over the long term the cost of production must move below the price of conventional natural gas.

We support the proposed Energy Commission and CPUC collaboration on developing a uniform renewable natural gas standard for injection into utility pipelines. A standard renewable natural gas specification would enable developers to pursue projects with clear expectations on acceptance of their product by the gas utilities.

Thank you for the opportunity to comment on the Energy Commission's draft 2011 Bioenergy Action Plan. Please let me know if you have any questions or comments regarding the foregoing.

Best,



Harrison Clay
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Clean Energy Fuels Corp.