

Docket Optical System - Docket # 02-REN-1038 RP3 Grant

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Date: 2/15/2011 4:59 PM
Subject: Docket # 02-REN-1038 RP3 Grant
CC: Jim Test <jtest@HWMA.net>

DOCKET**02-REN-1038**

DATE FEB 15 2011

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Hello,

I work for the Humboldt Waste Management Authority - a California Joint Powers Authority that manages the solid waste for Humboldt County. We are currently working to develop two waste to energy projects - one to convert food waste to renewable biogas (and electricity), and another to convert landfill gas to electricity. I am writing in regards to the RP3 Grant, Docket # 02-REN-1038.

As we have begun navigating the process to develop renewable energy projects, we have come upon a few challenges that others will surely face. From our perspective, the real issues slowing the public sector's development of renewable energy (RE) capacity are the restrictive and ever-changing RE markets (i.e., feed-in tariffs, Renewable Auction Mechanism, Local Government Renewable Energy Self Generation Program (AB 2466), and wholesale interconnections etc.) as well as the lengthy, and costly interconnection process. It would be very useful for local governments to have clearly defined pathways for selling RE on the market, and sufficient cost/revenue information to determine the most economically viable option. Currently the modes of selling excess RE are restrictive (non-negotiable, and medium to long term contracts), and usually the price offered for clean energy does not adequately reflect the cost (or emerging market value) of generating the power. Additionally, interconnection can be costly and time consuming; agencies need to have a clear sense of what this might cost during the planning phase given a type of RE technology, capacity, and location.

Given the goals of AB 32 and the renewable portfolio standard, CA should be encouraging public agencies (and others) to develop their RE resources and offset not only their own demand, but also contribute to the provision of clean energy for all ratepayers. This type of small to medium sized RE development will not only create a large impact when aggregated, but it will also help local government agencies to stabilize operating costs associated with providing community services. The biggest challenge to achieving these goals is the structure of the RE market, the limited market access, and the unnecessary paperwork hassle associated with market entry.

The permitting and licensing steps listed on your RP3 grant announcement certainly make RE development more time consuming and costly, but these are not so insurmountable as the current restrictive energy market. I think it would be useful to have a few agencies developing projects of different feedstocks and capacities prepare a "permitting tool-kit" as a guide to others, but this should not only be updated regularly, but the state should also look for ways to streamline the process by bringing all regulatory/licensing agencies to the table to simplify the application and approval process.

Finally, you requested responses to the following questions, I have included my responses in blue ink below each question.

Questions:

- What are the key challenges with planning, permitting and environmental issues in your local jurisdiction related to renewable energy development?

Lack of clear cost information, unknown permitting costs, and a low price for RE, inability to sell Renewable Energy Credits on the open market, and the interconnection hassle.

- What steps, information, tools, resources, etc. are necessary to revise the current land use plans and/or General Plans of your local jurisdiction to expedite the permitting process for renewable energy projects?

Multiple agency requirements can be redundant and or conflicting. Someone needs to get regulatory agencies together to make the permitting process more straightforward, and with less paperwork and confusing navigation.

- Does your local jurisdiction currently have best practices in place for permitting renewable energy projects?

Not that I am aware of.

- What additional funds, resources, or tools would be required to develop new plans, policies or ordinances to expedite renewable energy development in your local jurisdiction?

We need a clearing house for all requirements for RE development, who to talk to, what steps to take in what order, and design considerations that must be dealt with early on in the development process. A “how to develop and sell RE in (name of jurisdiction here)” manual that is updated annually. Also, there needs to be a way to communicate with the CA legislature or other policy makers about how the market could be changed to encourage RE investment. It appears that the utilities get a hand in shaping all RE legislation, and they do so to their advantage. Who is looking out for the small to medium sized developers? Where is our voice at the table?

- Will your local jurisdiction be able to contribute match funds for an RP3 grant to develop the needed new plans, policies, or ordinances to expedite renewable energy development? If so, how much? Has your local jurisdiction already begun the process to develop such plans, policies, or ordinances?

Yes, we could come up with match funds, hard to say how much. Permitting costs can escalate quickly with each new study or site investigation. We do have an energy element in our general plan, we also have energy committees in our larger cities, and we do have some emerging policies in the discussion phase. We are also working under the RESCO grant to look at our options for increasing the RE on our grid.

- Does your current local jurisdiction’s renewable energy development plan integrate with regional or statewide energy plans such as; Desert Renewable Energy Conservation Plan, Renewable Energy Transmission Initiative, a Natural Community Conservation Plan, or a Habitat Conservation Plan?

I do not know.

- How will your local jurisdiction’s planning effort help it reach state renewable energy procurement goals (Renewables Portfolio Standard – 33 percent by 2020), and reduce greenhouse gas emissions (AB 32)?

How can it not? Increasing the local generation of clean energy to supply our needs will help with both of these goals. The waste to energy programs will have an increased GHG reduction impact due to landfill diversion and offset long distance hauling.

Grants that provide funding for navigating the RE market, the interconnection process

and/or creating a frequently-updated web based tool for navigating the emerging RE market would be money well spent. Grant funds spent on looking at better ways to structure the RE market would also be useful.

Thank you for your consideration.

Sincerely,

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