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DOCKET	
11-IEP-1G	
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May 16, 2011

California Energy Commission
DOCKETS Office, MS-4
RE: Docket No. 11-IEP-1G
1516 Ninth Street
Sacramento, CA 95814-5512

SUBJECT: COMMITTEE WORKSHOP ON RENEWABLE, LOCALIZED GENERATION (Docket # 11-IEP-1G)

Please see our comments below in regard to the development of energy policy designed to comply with Governor Brown's Clean Energy Jobs Plan establishing a goal of installing 20,000 MW of renewable energy by 2020, including 12,000 MW of localized, electricity generation:

Background

Güssing Renewable Energy America /North American Biomass Company (GREA) have entered into an exclusive negotiating agreement with the City of Redlands to develop a multi-phased project for renewable energy. The first phase of the project would make use of the landfill gas from the California Street Landfill and digester gas from the City wastewater treatment plant to generate power to meet most of the electrical demand of the City wastewater treatment operation. Successive phases of this project include, but are not limited to the gasification of refuse from the California Street Landfill and biosolids from the Wastewater Treatment Plant. The resulting producer gas could then be refined to either generate electricity or for introduction into the natural gas grid as pipeline quality synthetic natural gas. GREA is assessing additional possibilities for the producer gas. But the above model represents the most likely scenario for this source of alternative energy.

Workshop Comments

Gasification as a viable, localized source of alternative energy. Workshop content on May 9, 2011 primarily addressed photovoltaic installations. There were some references to wind and other alternative energy sources but scant attention was made to the potential for gasification and other forms of thermal processes for meeting California's future alternative energy mandate. Given the enormity and scope of the goal, (i.e. 12,000 MW of localized, electricity generation and concurrently, 33% alternative energy for the State by 2020), GREA recommends adoption of a policy that favors an eclectic approach to compliance. It should be clear that no one technology will suffice to provide the State with goal compliance. It should be equally apparent that many alternative technologies don't even compete with one another. For example, gasification of refuse or biosolids would be premised on

an entirely different economic model relative to landfill and composting tipping fees compared to photovoltaic installations. In summary, we recommend adoption of a policy that explicitly endorses a varied, eclectic array of technologies to meet the alternative energy goals, and one that includes gasification and the utilization of landfill gas and digester gas as sources of energy.

Address regulatory barriers to implementation of gasification projects for refuse. California statute and regulations are currently interpreted to exclude gasified waste from the definition of recycling. This interpolation of California statute and regulations represents a significant barrier to the gasification of waste which represents an important component in an eclectic array of technologies that could be utilized to meet the State's alternative energy mandate. Rectifying this interpretation through a legislative fix would not only remove an important barrier to gasification of waste and the power that it produces but could also positively divert significant tonnage from California landfills.

AB 222, introduced in 2010, would have credited the diversion associated with a "biorefinery" for purposes of meeting a solid waste diversion level above 50 percent. As a condition, the biorefinery would be required to satisfy certain criteria including: "preprocesses the solid waste feedstock to remove, to the maximum extent feasible, all recycle materials prior to the conversion process." The bill, however, died with the close of the most recent legislative session. AB 222 passed the Senate Environmental Quality Committee and was awaiting a hearing on the Senate floor. It previously passed the Senate Energy Utilities and Communications Committee as well as the Assembly Policy and Fiscal Committees. There are many parties that supported AB 222, but there was also opposition.

We are requesting that the California Energy Commission work with legislators and CalRecycle to rectify this regulatory barrier by allowing that gasified waste be counted toward diversion for communities that have achieved the 50% waste diversion mandate.

In particular, the current definition of recycling versus disposal results in significant quantities of recyclable material being shipped to Asia on container ships while doing nothing to stem the hemorrhaging of capital used to purchase non-renewable energy from outside California. This situation further fouls the air through unnecessary, excess port traffic for said material. Reversing that trend would clean the air while generating renewable energy in a distributed manner and create local jobs instead of distant ones.

If you or your staff has any questions, please feel free to contact us.

Sincerely,



Gary Van Dorst
Project Coordinator



David Freda
GIS Coordinator

cc: Graeme Bethell, President, GREA
Michael Dichand, GRE Owner and Director of International Business Development