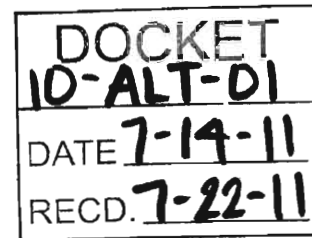




July 14th, 2011

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



RE: Comments on the 2011-2012 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program Regarding Sustainability Concerns

To Energy Commission Members and Staff:

Thank you for the opportunity to comment on the 2011-2012 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program. These comments are We appreciate the impressive work that both staff and Energy Commission Members have put into the drafting of the current Investment Plan and applaud the Commission's efforts to develop and enact sustainability standards, especially with regards to biofuel production and refining projects. For the purposes of this comment letter, Friends of the Earth (FOE) will focus on sustainability issues associated with biofuels and woody biomass specifically.

First, the Commission rightly acknowledges in the current Investment Plan that the indirect land use change resulting from increased biofuel production and consumption is of major concern—a concern that FOE shares. The Investment Plan states on page 142: “Energy Commission staff encourage ongoing support and investigation into alternative systems for conservation of sensitive, high carbon and high habitat quality lands at risk of loss from bioenergy crop production.” FOE would like to request clarification on how Commission staff will define these alternative systems, encourage the development of such systems, and how this encouragement will translate into real-world results of increased sustainability of biofuels, particularly with respect to the impacts listed in the aforementioned statement. As the Commission recognizes, the domestic and international impacts resulting from biofuel expansion are substantial and it is of utmost importance to FOE to understand how the agency will concretely protect both human and environmental health worldwide from the negative impacts associated with biofuel production.

Second, as acknowledged in the current Investment Plan, last year's sustainability funding was spent on forest biomass sustainability research as part of the Interagency Forestry Working Group (IFWG). The current Investment Plan further acknowledges that continued work needs to be done on the issue and states, “Substantial technical and scientific field work are needed to establish sustainability definitions and standards for the emerging woody biomass

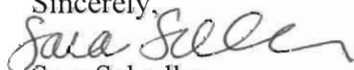
fuels industry.”¹ Given the need for continued work on this issue, it is of concern to FOE that for FY 2011-2012, “the Energy Commission is allocating \$2.5 million for sustainability research and technical support in the areas of biofuel feedstocks, water use concerns, potential of 3rd party sustainability certification programs to ensure sustainability, and manufacturing sustainability.”² While FOE agrees that the aforementioned research topics identified are undoubtedly of worthy concern and necessitate research funding, FOE urges the Commission to also dedicate a substantial portion of the 2011-2012 funding allocated to sustainability research to continued research specifically on the woody biomass issue. This issue is of unparalleled importance to the future of the state’s forests and requires appropriate funding as a result.

Third, FOE would like to address the issue of sustainability in project solicitation criteria. FOE requests information on how the sustainability goals espoused in the Investment Plan translate concretely into the sustainability criteria outlined in project solicitations. The actual sustainability information required of applicants is where FOE sees the agency’s sustainability goals truly having an impact, and in future Investment Plans, FOE requests more information on the sustainability criteria and weighting factors used to rate and ultimately award or deny applicants project funding.

We recognize that the Energy Commission and staff are leading the world in “mak[ing] transportation energy project funding decisions based on specific sustainability goals and evaluation criteria” and again applaud the agency for its notable efforts. We acknowledge the challenges inherent in pursuing GHG reduction goals as well as sustainability goals. We nonetheless request, on these three counts, that the Commission address sustainability more concretely, and in-depth.

Thank you for your consideration.

Sincerely,



Sara Schedler

Clean Vehicles Program Coordinator
Friends of the Earth

¹ 2011-2012 Investment Plan for the Alternative and Renewable Fuel and Technology Program, page 143.

² 2011-2012 Investment Plan for the Alternative and Renewable Fuel and Technology Program, page 143.