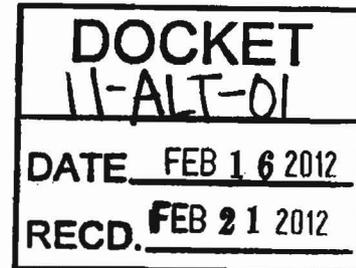




February 16, 2012

California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512



Re: Docket No. 11-ALT-1

SUBJECT: DOCKET 11-ALT-1 COMMENTS ON THE "2012-2013 INVESTMENT PLAN"

To The California Energy Commission:

Thank you for the opportunity to comment on the "2012-13 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program".

This letter is submitted on behalf of the Bay Area Biosolids to Energy Coalition (BAB2E). The Coalition is comprised of 16 public agencies, representing over 2 million people in the Bay Area, collaborating to create a local sustainable solution to biosolids management by tapping the energy and resources embedded in the biosolids that are produced through our treatment process. Biosolids are the by-product of wastewater treatment, produced by removing the organics from municipal sewage and treating them to reuse standards. Publicly Owned Treatment Works (POTWs) receive sewage 24 hours a day, 7 days a week for treatment. Across the San Francisco Bay Area, agencies have implemented programs to capture methane gas through anaerobic digestion. Biosolids with energy value still remain after digestion.

Currently, most of our agencies haul biosolids long distances, over 800,000 miles annually, for land application and alternative daily cover at landfills. However, these practices have become increasingly restricted and are not sustainable in the long-term. Bay Area agencies are seeking to develop biosolids management options within the Bay area to reduce vehicle miles associated with biosolids management. There is great potential to not only reduce vehicle miles and emissions associated with the present hauling practice but also to utilize the biosolids to produce fuels closer to the where biosolids are generated.

We have identified several technologies with the potential to produce different forms of renewable, alternative vehicle fuels. These forms include a low-sulfur "clean diesel", hydrogen fuel, and fischer-trops liquids that can be used as fuel additives to reduce emissions. The feedstock potential associated with Waste Water Treatment Plants (WWTPs) is vast and growing and produced on a 24/7 basis.

The California Energy Commission

February 16, 2012

DOCKET 11-ALT-1 COMMENTS ON THE "2012-2013 INVESTMENT PLAN"

Page 2

In 2009, California generated 661,000 dry metric tons (approximately 2.6 million wet tons) of biosolids¹. The Bay Area alone generates over 158,000 dry metric tons of biosolids annually, equal to approximately 630,000 wet tons. One wet ton of biosolids has the potential to produce forty (40) gallons of clean low sulfur diesel fuel or twenty-six (26) kg of clean renewable hydrogen (equal to about 26 gallons of gasoline).

We suggest the Energy Commission consider how the funds dedicated to hydrogen fueling infrastructure could be used for on-site production of hydrogen fuel using renewable sources, such as biosolids. Such an allocation would help to increase hydrogen production from renewable resources and would ensure that the California Air Resources Board (CARB) is able to enforce the legal mandate that hydrogen used for transportation fuel be at least 33.3% from renewable sources.

We also request that this advisory committee consider carving out a funding category for biosolids to fuel. The Investment Plan proposes investment in biofuels, including funding for waste-based resources, and identifies a number of waste-based sources for fuel. As investment decisions are considered, our agencies would encourage the Energy Commission to specifically include biosolids from publicly owned wastewater treatment plants as a source for biofuel.

Again, thank you for the opportunity to comment. The member agencies of the BAB2E Project look forward to working with the California Energy Commission on implementation of the "2012-13 Investment Plan".

Sincerely,



Caroline Quinn
Engineering Services Director
Delta Diablo Sanitation District
Program Manager, BAB2E Coalition

CQ:bjm

cc: District FileP.10089
Chron File

¹ U.S. EPA Region 9