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

And via email: docket@energy.state.ca.us

11-RPS-01

DOCKET

02-REN-1038

DATE MAR 23 2012

RECD. MAR 23 2012

Re: Docket No. 11-RPS-01 and Docket No. 02-REN-1038

Western United Dairymen (WUD) is the largest dairy producer trade association in California representing approximately 900 families who produce 60% of California's milk. WUD assists members with milk pricing, animal welfare, environmental quality, and labor issues, and is a primary source for dairy information. Through a grant from the California Energy Commission, WUD was involved in providing financial assistance to dairymen interested in installing anaerobic digesters on farms. These systems provide many benefits, including a reduction in greenhouse gas emissions.

WUD is concerned with the proposed suspension of RPS eligibility for pipeline injected biogas. Dairy digester projects should have options for using their biogas and those options should include pipeline injection. Though this suspension is proposed to be temporary, it sends the message to dairy producers, financiers, and project developers that pipeline injection projects are risky. There is also the concern that this may become a permanent ban on pipeline injection.

Dairy digester projects are difficult to justify from an economic perspective and need all options available to allow projects to select the most economically viable option. This also sends the wrong message that the State can change its mind at any time regarding eligibility of these projects adding significant additional risk to the digester project profile.

WUD therefore respectfully requests that the Commission work to develop biogas pipeline injection RPS criteria without suspending the current process.

Very truly yours,


Michael E. H. Marsh, CPA
Chief Executive Officer

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