



California Energy Commission

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California Biomass Energy Alliance

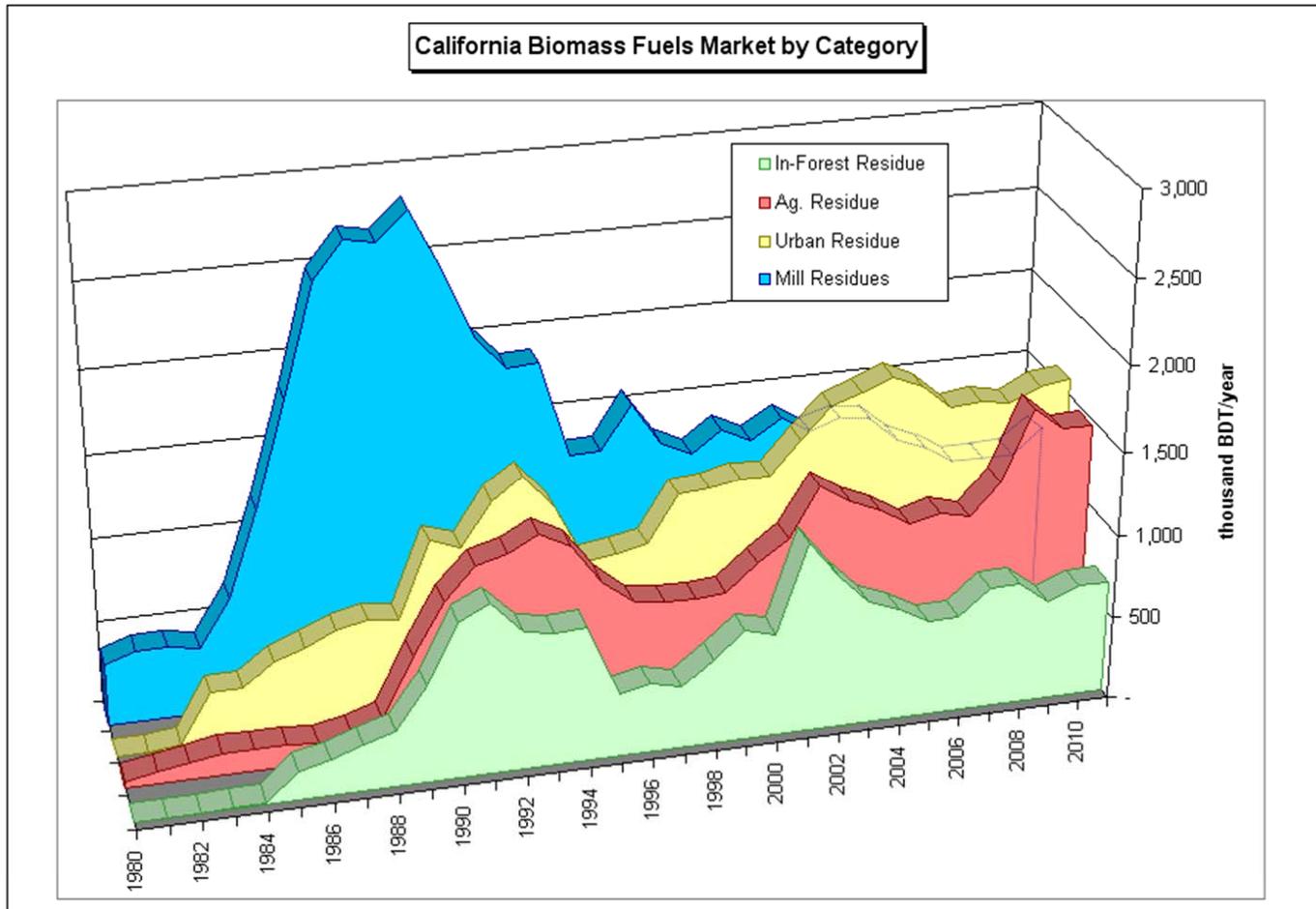
Facts About Our Industry
Impacts of EPA Boiler MACT and,
EPA NHSM Rule

Presented by Pat Holley June 3, 2013

Biomass Industry Update

- There are 34 solid fuel biomass facilities in California, distributed across 19 counties.
 - 4 currently idle and 1 new coming on-line in the Fall
- The California biomass industry reuses more than 8 million tons of the state's solid wastes and residues annually and produces more than 650 MWs of electricity. In 2012:
 - More than 40,000 acres of forest land were treated in California as a result of the market for biomass
 - Biomass helped local governments meet landfill reduction mandates by diverting over 3.5 million tons of wood residue annually for fuel
 - Biomass helped local air district comply with federal air quality standards by reducing emission of criteria pollutants by preventing open burning of 3.4 million tons of agricultural and forestry residues
- California has an abundance of biomass residues from the state's agricultural, forest, and urban waste streams to make this technology 12% of all the renewable produced in this State.

Biomass Utilized



Biomass Challenges

- Most of the existing industry comprised of legacy QFs - short-term prices, expiring contracts
- Power prices low
- Environmental and societal benefits need to be recognized and paid for.
 - Ratepayers need to pay their fair share
 - Other beneficiaries?

2013 Activities Address Challenges

- Follow-up on recommendations in [2012 Bioenergy Action Plan](#) that can be implemented in 2013. In particular, the following two recommendations would be of enormous benefit to the industry:
 - (2.1) The PUC, in cooperation with the CEC, should conduct the research necessary to then allow contracting utilities starting in 2013 to fully value both the electrical (reliable, schedulable, and voltage support to the grid) and environmental (reduction of open burning, landfill diversion and forest health) benefits of biomass energy.
 - (4.6) The ARB should develop biomass-fuels offset protocols.
- Appropriate AB 32 Cap and Trade Auction Revenue for a targeted biomass-fuels-utilization program..
- Clean-up US EPA's to the Non-Hazardous Secondary Materials ("NHSM") and Boiler MACT rules.
- Continue to work on US EPA's Tailoring Rule, and its application to biogenic greenhouse-gas emissions.

EPA Boiler MACT Rule

- EPA Final Rule for Major Sources Jan 31, 2013
- Our Industry has worked with US EPA, California ARB, and Air Districts / CAPCOA.
- Comments Acknowledge Biomass Contributions to Air Quality
- Biomass Energy Plants operate under strict emission limits and are BACT
- EPA NHSM Rule is Integral in Determining Applicability of Boiler MACT

EPA NHSM Rule

- Rule currently classifies “urban wood” as a waste subject to the rule
- Rule preamble notes that urban wood/C&D wood will be reconsidered
- Impact of the NHSM rule is significant

Thank You for Your Attention

- Pat Holley
- General Manager, HL Power, Greenleaf Power, Chairman California Biomass Energy Alliance
- pholley@greenleaf-power.com
- Phone 530 254-6161
- Or visit CBEA at www.calbiomass.org