






To: California Energy Commission
Dockets Office, MS-4
RE: Docket No. 13-IEP-1H
1516 Ninth Street
Sacramento, CA 95814-5512
Submitted via email to: docket@energy.ca.gov

From: Erica Brand, The Nature Conservancy
Kim Delfino, Defenders of Wildlife
Karen Mills, California Farm Bureau Federation

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Subject: Joint Comments of The Nature Conservancy, Defenders of Wildlife and California Farm Bureau Federation to the Staff Workshop on Electricity Infrastructure Costs of Distributed Generation (August 22, 2013)

Docket Number: 13-IEP-1H

Following is a joint comment letter submitted by The Nature Conservancy, Defenders of Wildlife and California Farm Bureau Federation in response to the California Energy Commission's (CEC) Staff Workshop on *Electricity Infrastructure Costs of Distributed Generation*, held on August 22, 2013.

On behalf of the undersigned, we are writing to thank the CEC for hosting the workshop and to express our support for development of a comprehensive energy planning process for distributed, local energy resources that appropriately integrates environmental and land use data.

Our comments address the four questions posed by the CEC at the workshop:

1. Should California establish a planning process that guides distributed generation resources to preferred locations?
2. Are there high-impact areas in the state that should be targeted for a study on developing a planning process to guide distributed generation development?
3. What are the needed elements for a study on a planning process used to guide projects?
4. Which stakeholders need to be engaged, and what tools and information are needed?

## 1. Question 1: "Should California establish a planning process that guides distributed generation resources to preferred locations?"

The substantial amount of renewable energy development necessary to fulfill California's energy and climate goal makes it essential that the State and local governments develop clear planning processes to study and identify preferred locations for distributed, local energy generation resources.

Our groups believe that renewable energy development in urban areas and on roof tops have the least possible impact on our agricultural and ranch lands, our wild lands and waters, and the people and species that depend on them. We support a pilot project that focuses on increasing renewable energy development in these urban environments, which is both beneficial and essential to meeting our renewable energy goals.

Much of the distributed renewable energy development that we've seen to date, however, has centered on 20 MW facilities in rural areas. Given our collective expertise and focus on protecting species, habitats, agricultural and ranch lands, our comments are focused on the benefits of a pilot project to establish a planning process that includes ecological and agricultural considerations for these types of facilities.

For example, in the southern San Joaquin Valley, home to numerous highly endangered species and some of California's most productive farmland there are at least 50 solar projects, 20MWs and under, that the CEC is currently tracking. Without a comprehensive, transparent planning process to study and identify preferred locations for siting distributed or local energy generation resources, we are left with uncoordinated development scattered across the landscape without full consideration of environmental or land use consequences or existing transmission capacity and future needs. The volume of renewable energy development is comparable to previous cycles of residential development. However, a network of planning laws and policies such as general plans guide residential siting. Due to its environmental and land use impacts, renewable energy siting and development should also be guided by a comprehensive planning approach. Thoughtful planning processes can help achieve multiple benefits, from protecting critical natural resources and working lands, to smarter investments in transmission capacity, to less risk, fewer mitigation costs and a more predictable process for project developers.

The proposed pilot planning process must be comprehensive and include the appropriate environmental and agricultural considerations; consistent with CEC recommendations in the 2012 Integrated Energy Policy Report (IEPR) Update[1].

[1] [The CEC will] "Identify preferred development zones with minimal environmental or habitat value, located in or near load centers and near existing or planned electric system infrastructure, and with minimal

The pilot should adhere to a least conflict approach, which evaluates and incorporates ecological and agricultural considerations in identifying those areas that may be most appropriate to develop and that should be further analyzed as potential preferred locations.

A comprehensive approach to energy planning can help to achieve multiple goals and provide multiple benefits.

- There is value to multiple stakeholders in using environmental and land use data to identify areas of least conflict for species, important farmland[2] and grazing lands.
- There is value in classifying these least conflict areas as preferred locations and creating meaningful incentives that will encourage development of distributed, local energy resources.
- Lastly, there is value in identifying the areas of high ecological and agricultural conservation values important to avoid when planning for development of local energy resources. Avoiding development in high conservation and agricultural value areas has the potential to minimize project development risks and costs associated with permitting, mitigation, and project delay.

Developing a planning process that guides distributed, local energy generation to preferred locations is essential; however strong incentives for siting projects in preferred areas of least conflict are needed if California is to efficiently and sustainably achieve our state mandated energy goals. Incentives are essential to successful implementation. We strongly encourage the CEC to convene a discussion specific to developing incentives for siting in areas of least conflict.

## 2. Question 2: "Are there high-impact areas in the state that should be targeted for a study on developing a planning process to guide distributed generation development?"

The San Joaquin Valley is home to some of California's most valuable and productive farmland, a variety of special status species, a mosaic of habitats and conservation linkages, and, most recently, extensive renewable energy development. While intensive planning projects such as the DRECP are underway for renewable energy development in the desert,

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permitting and interconnection costs." California Energy Commission. 2012 Integrated Energy Policy Report Update. Page 52.

[2] According to the Farmland Mapping and Monitoring Program, "important farmland" includes prime farmland, farmland of statewide importance, and unique farmland as defined by the United States Department of Agriculture land inventory and monitoring criteria, as modified for California.

currently there is no comprehensive or coordinated planning for renewable energy development in the San Joaquin Valley. This lack of coordinated planning has the potential for scattershot development which results in unnecessary impacts to important farmland, grazing lands, and conservation resources and corresponding increases in project costs and development timeframes.

CEC recommendations in the 2012 Integrated Energy Policy Report (IEPR) Update call for the identification of preferred areas for renewable energy development. [3] This type of planning for renewable energy in the San Joaquin Valley is urgently needed and we encourage the Commission to prioritize undertaking this recommendation from the 2012 IPER.

## 3. Question 3: "What are the needed elements for a study on a planning process used to guide projects?"

A successful comprehensive planning process must be iterative and will require thorough communication and collaboration with industry, state and federal agencies and stakeholders to arrive at solutions that protect natural and agricultural resources and allow responsible energy development. Stakeholders should include local government, councils of government, and agencies specifically focused on natural resources and land use and environmental planning such as the Governor's Office of Planning and Research (OPR).

It should also be based on a strong foundation of science and data from multiple sectors. For example, data and peer-reviewed science indicating important natural resources and high value farmland can be integrated with solar resource data, transmission capacity, population centers and land use designations to indicate the areas of least conflict for siting, most efficient for energy delivery and investment of mitigation funds for conservation.

Development of the pilot planning process should be clear and transparent. The CEC should thoroughly document and explain planning assumptions, keep detailed records, and use publicly available data. This information should be regularly communicated and shared with stakeholders.

After pilot development is complete, the CEC should commit to ongoing measurement, monitoring and reporting of implementation results.

[3] "Environmental analysis should support identification of preferred areas for renewable development such as in the San Joaquin Valley." California Energy Commission. 2012 Integrated Energy Policy Report Update. Page 78.

## 4. Question 4: "Which stakeholders need to be engaged, and what tools and information are needed?"

Our comments are focused on the elements of a pilot planning process related to ecological and agricultural values, recognizing that others have expertise in other important elements.

The CEC must involve the agencies that have permitting jurisdiction of distributed, local renewable energy resources in the pilot planning process, including local governments. Strategy 1 *Identify Preferred Areas for Renewable Development* of the 2012 IPER Renewable Action Plan repeatedly references OPR's key role in moving forward with coordinated planning for renewable energy development. In addition to partnering with the OPR, the CEC must partner with state and federal resource agencies such as the California Department of Fish and Wildlife, the U.S. Fish and Wildlife Agency, the California Department for Food and Agriculture and the California Department of Conservation. It must also include stakeholders from the environmental and agricultural communities. These partnerships will leverage the knowledge and resources needed for comprehensive planning.

We strongly recommend that the data used in the pilot planning process be tied to geospatial information. Spatial data is an indispensable decision-support tool for energy and land-use planning. Incorporation of spatial data is essential for a comprehensive, least conflict approach to energy planning.

Once the location is selected for the pilot planning process, we recommend the CEC work with stakeholders to identify and evaluate for comprehensiveness and accuracy, the best available scientific information for ecological and agricultural resources within the study area.

## Conclusion

The CEC should collaborate with key agencies and stakeholders to develop and implement a pilot planning process that achieves environmental, agricultural and business goals, while furthering responsible development of distributed local energy resources. A comprehensive planning process that integrates land use planning and energy planning creates value and minimizes risk. This connection is critical to create incentives for siting in preferred locations. We look forward to continuing to work with you.

Respectfully submitted,

ERICA BRAND
Project Director, CA Renewable Energy
The Nature Conservancy
201 Mission Street, 4th Floor
San Francisco, CA 94105
ebrand@tnc.org

KIM DELFINO
California Program Director
Defenders of Wildlife
1303 J Street, Suite 270
Sacramento, CA 95814
kdelfino@defenders.org

Karen Norene Mills
Associate Counsel
California Farm Bureau Federation
2300 River Plaza Drive
Sacramento, CA 95833
kmills@cfbf.com

CC: Matt.Coldwell@energy.ca.gov