



December 8, 2014

The Honorable Janea Scott, Commissioner California Energy Commission 1516 Ninth Street Sacramento, CA 95814

Re: Comments on the 2014 Draft Integrated Energy Policy Report

Dear Commissioner Scott:

Harvest Power appreciates the opportunity to comment on the 2014 Draft Integrated Energy Policy Report. Harvest looks forward to working with the CEC in developing and implementing projects supporting these important policy directions.

Harvest Power is a North American organics recycling company. With over 35 permitted facilities across North America, Harvest processes and composts both bulk and bag material, and operates three commercial scale anaerobic digesters. It is this experience with organics, and the regulatory process that provides us with the background, knowledge and experience in organics regulatory practice.

In California, Harvest owns and operates two large scale compost facilities. In addition, we are in the process of developing anaerobic digesters and were granted two CEC grants using AB118 funds. We are in the process of siting and developing other anaerobic digestion projects to produce transportation fuels, and electricity, from organics based bioenergy in California in addition to compost products.

Harvest appreciates the Draft IEPR's overview of the transportation sector in California. Specifically, we support the Draft IEPR's finding that biofuels currently can play a "critical role in reducing carbon emissions from the transportation sector and are a key element in the state's approach to a low-carbon transportation future". Therefore, Harvest supports the continued development of technology neutral incentive programs that emphasize the lowest carbon transportation fuels, those created from organics residuals.



December 8, 2014 Page 2

Agency Coordination

As the CEC, Air Board, and CPUC work towards to goal of reducing greenhouse gas and criteria pollutant levels, Harvest appreciates the articulation of biogas as a crucial part of the solution. Coordination between these agencies is essential to ensure that funding programs maximize impact and help meet new standards and legislative requirements. The creation of an inter-agency strategy and transparent matrix of regulations and incentives to reduce greenhouse gases and criteria pollutants would assist Harvest and other developers reach the goals. An inter-agency strategy would be particularly helpful for Harvest as we are in the process of developing anaerobic digestion facilities statewide to produce biogas for transportation fuel from organics residuals. Including CalRecycle will ensure that organic materials, crucial feedstock for anaerobic digestions facilities are taken into account and the facilities have the appropriate incentives and regulations for current and future project development.

Incentives for Pipeline Access

Harvest is ready and willing to be part of the new biogas infrastructure in California. The development of coordinated incentives for projects that will produce immediate results are crucial at this early stage. While biogas provides the lowest carbon fuels, pipeline access and interconnection costs are still significant barriers for use as a transportation fuel. As the draft EIRP articulates, the controlling the costs of interconnection will enable the expansion of biogas into the vast natural gas infrastructure. There are a number of ways to assist with this process including separating out biogas from landfill requirements, encouraging smaller volumes to be transmitted, and funding research to identify these barriers and develop scientifically based achievable standards.

Co-location of facilities

Harvest is a proponent of co-locating biogas facilities with hydrogen and CNG refueling stations at wastewater treatment plants, ports, and other industrial sites for. Sharing this infrastructure is cost effective and can result in reduction of project development time. Funding strategies that combine Cap and Trade resources coupled with local and regional resources can be very effective.

New Legislation

Two pieces of recently-passed legislation -- AB 1826 (Chesbro, 2014) and AB 1594 (Williams, 2014)

6943 N. Golden State Blvd | Fresno CA | T: 559-435-1114 | F: 559-435-1007 www.harvestpower.com



December 8, 2014 Page 3

will result in increased diversion of organic materials for biogas production. References to this legislation should be incorporated into the final Integrated Policy Report. Both of these policies will expand the availability of organic materials that can be used to fuel anaerobic digestion facilities designed to produce low carbon biogas. The availability of feedstock is crucial to the expansion of anaerobic digestion facilities. Harvest is fully supportive of this legislation and looks forward to providing facilities to meet the increased demand for organics processing.

Harvest thanks the Commission for the work in preparation of the Draft IERP, and for the opportunity to comment. We look forward to working with the Commission and Staff in the implementation of the final recommendations.

Sincerely,

Linda Novick Regulatory Compliance Manager