



## Sustainable Forest Action Coalition

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### Participating Representation from the following:

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#### CALIFORNIA

Amador

Butte

Calaveras

Del Norte

El Dorado

Glenn

Inyo

Lassen

Modoc

Nevada

Placer

Plumas

Sacramento

Shasta

Siskiyou

Sierra

Tehama

Trinity

Tuolumne

Yuba

#### OREGON

Coos

Curry

Douglas

Jackson

Klamath

Josephine

Lake

#### NEVADA

Nye

The Honorable Steven Bradford  
Chair, Assembly Utilities and Commerce Committee  
State Capitol, Room 5136  
Sacramento CA 95814

The Honorable Wesley Chesbro  
Chair, Assembly Committee on Natural Resources  
State Capitol, Room 2141  
Sacramento, CA 95814

The Sustainable Forest Action Coalition (SFAC visit [sfacoalition.com](http://sfacoalition.com)) supports the concepts of AB2362 by Assembly Member Brian Dahle which aims to ensure the State's public utilities procure a diverse and cost-effective mix of new and existing renewable resources to meet California's renewable portfolio standard ("RPS"). However, even though AB 2363 would require the California Public Utilities Commission to establish rules that would consider "integration costs" in the the State's renewable procurement decisions by a date certain, SFAC requests that more immediate needs and language be included in AB 2362.

Knowing that the proposed AB 2362 language is a longer term fix, the SFAC also ask for consideration of immediate and shorter term fixes. One such consideration could be a percentage purchase requirement designed to ensure a diverse mix of renewable resources for the State. Without quick action, we stand to lose an entire industry that provides thousands of high paying jobs to Californians. In addition, our State and its public and private lands can not wait for a long term solution, but one that recognizes the dire strait we are in and provide a solution to re-fire our existing infrastructure that sits idle as well as provide the opportunity to expand to meet the forest, air quality and watershed health needs.

Given the facts and current reports and strategies to address not only California's, but our nations, wildfire and associated environmental and ecological issues, we must also use legislation to support immediate actions and not only long term solutions. Just last week, the release of the Obama Administrations outline of a new strategy to better protect communities, businesses and public and private lands from threat of wildfire. The following are quotes from this strategy:

“The National Cohesive Strategy is the result of an ongoing partnership that is providing us with a collaborative road map for how we better work together - across federal, tribal, state and local governments and with our NGO partners - to effectively manage landscapes,” said Secretary Jewell. “Relying on a science-based approach to managing risks, this effort embodies the type of intergovernmental coordination that citizens and communities expect. The framework provided will help guide informed policy and decision-making while increasing our resilience and sustaining our resources.”

“As climate change spurs extended droughts and longer fire seasons, this collaborative wildfire blueprint will help us restore forests and rangelands to make communities less vulnerable to catastrophic fire,” said Acting Chair Boots. “With President Obama’s Climate Action Plan, the Administration is committed to promoting smart policies and partnerships like this strategy that support states, communities, businesses, farmers, ranchers and other stakeholders who are working to protect themselves from more frequent or intense fires, droughts and floods, and other impacts of climate change.”

In addition, the Strategy includes both national strategic planning and regionally-specific assessment and risk analysis to address such factors as climate change, increasing community sprawl, and pests and disease affecting forest health across landscapes, regardless of ownership.

Approaches include:

- Adopting preventive measures, such as fuels thinning and controlled burns;
- Promoting effective municipal, county and state building and zoning codes and ordinances;
- Ensuring that watersheds, transportation and utility corridors are part of future management plans; and
- Determining how organizations can best work together to reduce and manage human-caused ignitions.

The comprehensive principles and processes highlighted in the strategy have already been implemented successfully in some areas of the country. A prime example of how many approaches within this strategy have already been implemented and proven to be effective, are illustrated within the Herger-Feinstein Quincy Library Group (HFQLG) project area. Mr. Dahle is very aware of this approach and its effectiveness being a member and supporter of the HFQLG. This project and resulting benefits to this geographic portion of California could not have been made possible without the strong support of California’s biomass infrastructure. The sad off-shot of this project and current projects is that many of the biomass facilities that supported this implementation are now closed or moved to other states. As a result, we can no longer economically treat the very biomass that is endangering our states watersheds, communities and ecosystems.

All renewable resources can and should play a significant role in meeting California’s low carbon and clean energy policies. But the biomass power industry provides California with more than just renewable energy, it makes a significant economic contribution to the State and local economies by providing more jobs per unit of energy than any other source of renewable power; plus contributes multiple environmental benefits that are essential for California. Biomass is an industry that needs to be preserved and enhanced if the State is ever going to realize its renewable energy, greenhouse-gas emissions reductions, air quality, and landfill-disposal reduction goals. But according to the California Energy Commission we are losing biomass resources as the utilities’ renewable portfolios become less and less diverse. The procurement of wind, solar thermal and solar PV has

gone up dramatically while the procurement of valuable resources like biomass has declined significantly. The absence of integration adders is one reason for this drop because it prevents an “apples to apples” cost comparison among different renewable resources.

AB 2363 would help fix this structural problem in the RPS program by requiring the CPUC to determine appropriate (non-zero) integration adders so that the CPUC’s LCBF analysis accurately reflects the total costs (both direct and indirect) of various renewable technologies. This policy change is both vital and significant given the range of renewable procurement options available to California public utilities.

Although AB 2363 will not solve all the problems with the RPS program, left unanswered the consequences are dire for California’s biomass industry. The loss of a biomass power facility means not just the loss of renewable power but all the other environmental and economic benefits it provides to California and the regions in which they are located.

AB 2363 will enhance the state’s RPS and require regulators to consider all costs consumers are being asked to bear. It will also ensure that the utility procurement process creates a more level playing field and evaluates all new and existing renewable resources accurately and fairly. The result will be a more diverse and cost-effective portfolio of renewable energy resources, which will help to balance the grid and maintain reliability while keeping consumer electric rates affordable.

We urge your support for this important bill with SFAC’s additional considerations.

Sincerely,



Bill Wickman and Laurel Brent Bumb  
Co-spokespersons for SFAC

cc: Assembly Utilities and Commerce Committee Members  
Assembly Natural Resources Committee Members  
Davina Flemings, Consultant, Assembly Utilities and Commerce Committee  
Daryl Thomas, Republican Consultant, Assembly Utilities and Commerce Committee  
Lawrence Lingbloom, Consultant, Assembly Natural Resources Committee  
John Kennedy, Consultant, Assembly Natural Resources Committee