



**Cal OES**  
GOVERNOR'S OFFICE  
OF EMERGENCY SERVICES

CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION

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## Tree Mortality Task Force Bioenergy Working Group Agenda

February 26th, 2016, 11:00 – 12:30

Natural Resources building, 1416 9<sup>th</sup> St., Sacramento,

CAL FIRE Large Conference Room, 15th floor (east end of hallway)

Conference Call Line: (916) 324-6897

I. Roll call of Working Group Members and confirm new members (Kim)

Lead	Supports	Agency
Le-Huy Ngyuen	Rizaldo Aldas, Aleecia Guitierrez, Chris Metzger	CEC
Julia Levin		Bioenergy Association of California
Rosemarie Smallcombe		Mariposa County Supervisor; CSAC
Rich Sturlock		Rio Bravo
Brittany Dier		Madera County
Casey Walsh Cady		CDFA
Kim Carr	Glen Barley, Chris Anthony	CAL FIRE
Steve Brink		California Forestry Association
Rich Wade		Board of Forestry
Matt Plummer	Andrea, Martin, et. el.	PG&E
George Wilsey		SCE
Larry Swan		US Forest Service
Clair Jahns		Natural Resources Agency
Maria Sotero	Megha Lakhchaura	CPUC
Evan Johnson		Cal Recycle
Julee Malinowski-Ball		CA Biomass Energy Association
Sandy Goldberg		OPR
Mike Muston		Otoka Energy
Christa Darlington		CAPCOA
Matt Henigan		GOA
Steven Kelly		IEP
Ted Roberts	Tina	SDG&E
David Branchcombe		SPI
Patrick Nevis		Go Biz
Taylor Miller		Yosemite Stanislaus Solutions



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- II. Approval of Agenda
- III. CPUC update on RAM, bilateral contracts and BioMAT proposals and next steps (CPUC)
- a. RAM – resolution on March 17<sup>th</sup> meeting agenda; currently requires utilities purchase a minimum of 50 MWs, fuel requirement for facilities to receive feedstock from high hazard zones beginning at 20% and increasing in increments to 60%; power price goes to \$89.29/MW in years they do not meet fuel requirement; allows utilities to do bilateral contracting.
  - b. Potential problems with proposals (All) – 50 MWs is too low as average facility is 25 MWs and Forest Service estimates about 6 facilities are needed to manage tree mortality; FS suggests 10% fuel requirement first year, 20% second year, and cap at 30%. Majority of dead trees (90%) are located on FS lands; their fuel requirement request is based on estimated volume of biomass available. Distributed facilities around the state are needed to manage biomass; suggest not lowering power price if fuel requirement is not met and instead levy penalties.
  - c. BioMAT – ALJ released ruling 2/12, reply comments are due 3/7; proposal incentivizes using fuels from high hazard zones; ALJ draft decision should be available soon.
  - d. Potential problems with proposals (All) – BAC requests a 40 – 60 cent price increase above the base as an opening price, plus an inflation adjuster. Problems with the interconnection process remain.  
1) Projects can't wait in auction queue for extended periods for prices to increase. 2) Projects can't secure financing prior to getting a power purchase agreement (PPA). Also, concern for the fate of facilities that are not in proximity to high hazard zone (HHZ). CAL FIRE needs to define HHZ in a way that helps secure contracts. Placer County Air District requests interconnection deposit fee be waived; PG&E stated no deposit is needed, only a letter to show a loan has been secured (credit letter); the point was made that prior to getting a credit letter from a bank, money must be in an account with that bank. Placer pointed out that ReMAT caps interconnection costs at \$300,000, whereas BioMAT projects have system impact reports estimating costs of \$1 – 2 million. Also, fast track category 1. SDG&E stated the focus is on tree mortality areas and not sustaining the industry, emergencies are not continual. BAC replied that the proclamation also acknowledges wildfire increase and this problem is here to stay. Also, proclamation is in place until rescinded.
- IV. High hazard zone designation status (Kim)
- CAL FIRE has completed Tier 1 (focus is hazardous trees) statewide and is now developing Tier 2 which takes into account areas at risk of wildfire and resources. PG&E suggested that it's necessary to track where everyone is doing work; Systems are available to do this for state and federally funded projects such as CAL MAPPER and FACTS.
- V. CEC update on Bioenergy solicitation (Aleecia)
- An EPIC program solicitation announcement has been released proposing to dedicate \$23 million to bioenergy. The \$23 million is proposed to be distributed as: applied research and development (\$5m), technology, demonstration and deployment (\$10m), and biological conversion (\$8M). The solicitation will be released this spring. CEC will host pre-bid workshops. CEC welcomes



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suggestions for workshop locations. Currently the solicitation is limited to the 6 Southern Sierra Counties. It was suggested this be expanded statewide as tree mortality and HHZ exists in forested areas throughout the state. The majority of the EPIC Market Facilitation funds is allocated to active or pending projects; however, some of the remaining funds could potentially be made available. Specific activities that fit under Market Facilitation strategic objectives (starting on page 146) that could help with the emergency proclamation need to be identified. The following is a link to the second EPIC Investment Plan: <http://www.energy.ca.gov/2014publications/CEC-500-2014-038/CEC-500-2014-038-CMF.pdf>

- VI. Update on biomass volume estimates; next steps (Larry)  
Forest Service is estimating the number of dead trees on public and private lands in the 6 Southern Sierra Counties. This estimate will be compared to the original estimate derived from aerial surveys. This will be completed next week and be available statewide by mid-April.
- VII. Review Action Items
- VIII. Closing Comments/Adjournment

*Note: Working Group Leaders to present current workgroup priorities and accomplishments at full Task Force Meetings.*

*Note: Our next meeting will be held on **Friday, March 25th***