

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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Policies, Procedures and Rules for the  
California Solar Initiative, the Self-  
Generation Incentive Program  
and Other Distributed Generation Issues.

Rulemaking 10-05-004  
(Filed May 6, 2010)  
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(Filed May 28, 2020)

**BIOENERGY ASSOCIATION OF CALIFORNIA RESPONSE TO BLOOM ENERGY  
CORP'S PETITION FOR MODIFICATION OF DECISION 11-09-015**

DATED: September 30, 2024

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The Bioenergy Association of California (BAC) submits this Response to Bloom Energy Corp's Petition for Modification of Decision 11-09-015 in accordance with Rule 16.4(f) of the Commission's Rules of Practice and Procedure. BAC strongly supports Bloom's Petition as it will facilitate the capture of use of biomethane in California, which will help the state to meet its climate change, energy reliability, and air quality goals.

BAC represents more than 100 public agencies, local governments, private companies and non-profit organizations working to advance sustainable bioenergy development in California. BAC's public sector members include cities and counties; air quality, environmental, wastewater, solid waste, and other public agencies; research institutions; community development and environmental groups; and a publicly owned utility. BAC's private sector members include energy and technology firms; project developers, investors and consultants; an investor-owned utility; agricultural and waste companies, and others. Many BAC members are developing and/or operate distributed generation bioenergy projects and several BAC members participate in the SGIP program.

BAC supports Bloom Energy’s Petition to increase allowable exports under the SGIP program for several reasons described below.

**1. The Urgency of Reducing Methane Emissions is Much Greater than When D.11-09-015 Was Adopted.**

Bloom’s Petition will help to meet California’s methane reduction requirements by increasing the amount of electricity generated from biogas or biomethane. Since D.11-09-015 was issued, climate scientists around the world have concluded that the most urgent step needed to address climate change is the reduction of methane and other Short-Lived Climate Pollutants (SLCPs). As the director of the United Nations Environment Program stated, “cutting methane is the strongest lever we have to slow climate change over the next 25 years and complements necessary efforts to reduce carbon dioxide. The benefits to society, economies, and the environment are numerous and far outweigh the cost. We need international cooperation to urgently reduce methane emissions as much as possible this decade.”<sup>1</sup>

The United States and the European Union also issued a Joint Statement saying that the reduction of methane “is regarded as the single most effective strategy to reduce global warming in the near term and . . . Methane abatement delivers additional important benefits, including improved public health and agricultural productivity.”<sup>2</sup> The California Air Resources Board has also recognized the urgency of reducing methane and other SLCPs, stating that “the science unequivocally underscores the need to immediately reduce emissions of short-lived climate pollutants (SLCPs).”<sup>3</sup>

In California, organic waste is responsible for 86 percent of all methane emissions.<sup>4</sup> That means that increasing the capture and use of biogas and biomethane are essential

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<sup>1</sup> <https://www.unep.org/news-and-stories/press-release/global-assessment-urgent-steps-must-be-taken-reduce-methane>.

<sup>2</sup> *Joint US-EU Press Release on the Global Methane Pledge*, issued by the White House on September 18, 2021.

<sup>3</sup> *Short-Lived Climate Pollutant Reduction Strategy*, adopted by the California Air Resources Board, March 2017, at page 1.

<sup>4</sup> *2022 Climate Change Scoping Plan for Achieving Carbon Neutrality*, issued by the California Air Resources Board on November 15, 2022.

to meet the state's methane reduction requirements, including the requirement of SB 1383 (Lara, 2016) to reduce California's methane emissions 40 percent by 2030.<sup>5</sup>

Bloom's Petition will help to meet these important requirements by increasing the amount of power generated from organic waste that can be exported to the grid.

## **2. The Need for Firm Power is Much Greater than When D.11-09-015 Was Adopted.**

Bloom's Petition will also help to increase energy reliability by increasing the production and export of firm renewable power. Numerous reports in recent years have found that California will need to increase firm renewable power to meet the requirements of SB 100 while maintaining grid reliability. The California Energy Commission determined that California will need up to 15,000 MW of clean, firm power for reliability.<sup>6</sup> Other reports have found that California will need more like 30,000 MW of firm power for reliability.<sup>7</sup>

In addition to its reliability benefits, firm power can also reduce ratepayer costs substantially. As one study found, a diverse portfolio of clean firm power technologies could cut California's overall electricity costs by two-thirds, even if the costs per megawatt-hour are higher than solar or wind, since the integration costs and marginal costs of intermittent renewables will only increase as California approaches 100 percent renewable and zero carbon power.<sup>8</sup> As Environmental Defense Fund explains:

“California needs a significant amount of clean firm power to meet its decarbonization targets while keeping rates affordable. Failing to procure clean firm power will require a massive overbuild of solar and wind that will increase rates by

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<sup>5</sup> Health and Safety Code section 39730.5(a).

<sup>6</sup> California Energy Commission, *2021 Integrated Energy Policy Report*, Volume III, at page 72.

<sup>7</sup> Long, et al, “Clean Firm Power is the Key to California's Carbon-Free Energy Future,” *Issues in Science and Technology*, March 24, 2021.

<sup>8</sup> E. Baik, et al, “What is different about different net-zero carbon electricity systems?” published in *Energy and Climate Change 2* (2021) 100046, July 2021.

about 65 percent in 2045; by contrast, using clean firm power California could keep rates similar to those found today.”<sup>9</sup>

In other words, increasing the amount of firm power that SGIP projects can export to the grid will help to increase reliability and reduce overall system costs.

### **3. Allowing Greater Grid Exports Will Benefit Air Quality**

Granting Bloom’s Petition will also provide benefits to air quality. Currently, California obtains about 37 percent of its power from natural gas, the combustion of which emits large amounts of air pollution. Allowing greater export of firm renewable power, as Bloom is proposing, will help to reduce California’s dependence on natural gas generation. It will also help to reduce flaring of biogas at landfills and wastewater treatment facilities by enabling greater use of that biogas. And, Bloom’s Petition will facilitate additional use of dairy biomethane, reducing emissions of methane and other volatile organic compounds that cause smog and other harms. As the California Air Resources Board has found, reducing methane and other SLCP reductions, unlike reductions in carbon dioxide emissions, provide immediate and significant public health benefits.<sup>10</sup> Lawrence Livermore National Laboratory also found that increasing the production of bioenergy from organic waste will provide significant benefits to air quality by reducing flaring, fugitive emissions of methane, and open burning of organic waste.<sup>11</sup>

By allowing greater use of biogas and biomethane, Bloom’s Petition will reduce local air pollution from flares and from the waste itself.

For all of these reasons, BAC urges the Commission to grant Bloom’s Petition for Modification.

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<sup>9</sup> Comments of Environmental Defense Fund on the 2021 Preferred System Plan Ruling, filed in R.20-05-003 on September 27, 2021, at page 2.

<sup>10</sup> *Short-Lived Climate Pollutant Reduction Strategy*, above, at page 22.

<sup>11</sup> Lawrence Livermore National Lab, *Getting to Neutral – Options for Negative Carbon Emissions in California*, January 2020, at page 1. LLNL-PRES-795982.

Thank you for your consideration of this Response.

DATED: September 30, 2024

Respectfully submitted,

*/s/ Julia A. Levin*

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**VERIFICATION**

I am a representative of the non-profit organization herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and, as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 30<sup>th</sup> day of September, 2024, in Kensington, California.

*/s/ Julia A. Levin*

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