

VALLEY CLEAN ENERGY ALLIANCE COMMUNITY ADVISORY COMMITTEE

Staff Report - Item 8

TO: Community Advisory Committee

FROM: Mitch Sears, Executive Officer
Yvonne Hunter, Legislative and Projects Specialist

SUBJECT: Proposed Legislation to Remove AB 843 Sunset Limit for BioMATT Program

DATE: December 15, 2022

RECOMMENDATION

Staff recommends support for the proposed legislation to delete sunset clause in the existing regulation.

BACKGROUND

Last year, VCE supported AB 843 (Aguiar-Curry; Chapter 234, Statutes of 2021), which authorized CCAs to participate in the existing Bioenergy Market Adjusting Tariff (BioMATT) program. The BioMAT program was created in 2012 by SB 1122 (Rubio; Chapter 612, Statutes of 2012) to support procurement from small-scale bioenergy projects, including wastewater treatment, agricultural bioenergy, and generation from byproducts of sustainable forest management. At the time, only one CCA existed. But, with more CCAs providing service, AB 843 was an important opportunity for interested CCAs to participate. The BioMATT program currently allows up to 250 MW of electricity statewide to be procured by Load Serving Entities like IOUs and CCAs.

Unfortunately, the CPUC has taken longer than anticipated in preparing the regulations, which are not yet finalized, that would allow CCAs to participate in the BioMATT program. As part of the regulations, the CPUC added a sunset date of 2025 for the program. Since the regulations are not expected to be completed until third quarter 2023, that leaves only a short time for CCAs to participate in the program.

The Legislative/Regulatory Task Group recommends that VCE support the legislation. Note: one member of the Task Group was able to attend the last meeting when this item was discussed.

PROPOSED LEGISLATION

The proposed legislation would allow the BioMAT program to continue until the 250 MW from small-scale bioenergy projects have been procured, thus effectively deleting the 2025 sunset date contemplated by the CPUC. Pioneer Community Energy is taking the lead on the proposal. To date Pioneer is working to prepare official bill language and is seeking an author. Pioneer and Coast Community Energy are co-sponsoring. To date, Redwood Energy Authority and CalCCA support the proposal and Pioneer is seeking support from other CCAs. While VCE has not purchased any electricity through the BioMATT program, staff believes it is prudent to keep that option open in the future. VCE's lobbyist is in touch with Pioneer's lobbyist about the proposed legislation.

CONCLUSION

Staff recommends that VCE support the proposed legislation described above.