Potential for Biogas Production in CA

• 284 billion cubic feet per year from organic waste
  = 2.5 Billion gallons vehicle fuel
  or
  = 5,000 – 6,000 MW of renewable power
Obstacles to Increased Biogas Production

- Pipeline access
- Transmission line access
- Increased investment in production facilities
- Need for market certainty
- Long term contracts and price certainty
- Increased R&D
Making Progress on Pipeline Access

• **AB 2313**  –  Increases interconnection incentive from $1.5 million to:
  - $3 million for most pipeline biogas projects
  - $5 million for dairy digester cluster projects
  - CPUC must consider rate-basing and other options

• **SB 840**  –  Reassessment of pipeline biogas standards
  - CCST must review BTU and siloxanes standards
  - CPUC must give due deference to recommendations
Increased Investment in Biogas

- Cap and Trade Revenues Approved in 2016:
  - $50 million for dairy digesters
  - $20 million for waste to biogas
  - $23 million for ultra low NOx trucks with RNG fuel req’t

- CEC Funding for Biomethane and Biogas
  - $30 mill. for biogas to electricity
  - $6-$18 mill. for biomethane to transportation fuel projects
Creating Market Certainty

SB 1383 (Lara, 2016)

• CEC must recommend policies and incentives to significantly increase renewable gas production and use
• Other state agencies must adopt those policies and incentives
• Requires 75% diversion of organic waste from landfills by 2025
• Requires reductions in dairy methane by 2030
Are We Done Yet?

Still Need:
• Guaranteed market like RPS and LCFS
• Long term contracts and price certainty
• Increase investment in projects
• Increase investment in R&D
• Ensure that pipeline access is technology neutral
THANK YOU

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