

Biomass Industry Demise and Loss of Primary Alternative to Open Burning in the Valley

**Central Valley Summit on
Alternatives to Open Burning of Agricultural Waste
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HEALTHY AIR LIVING™

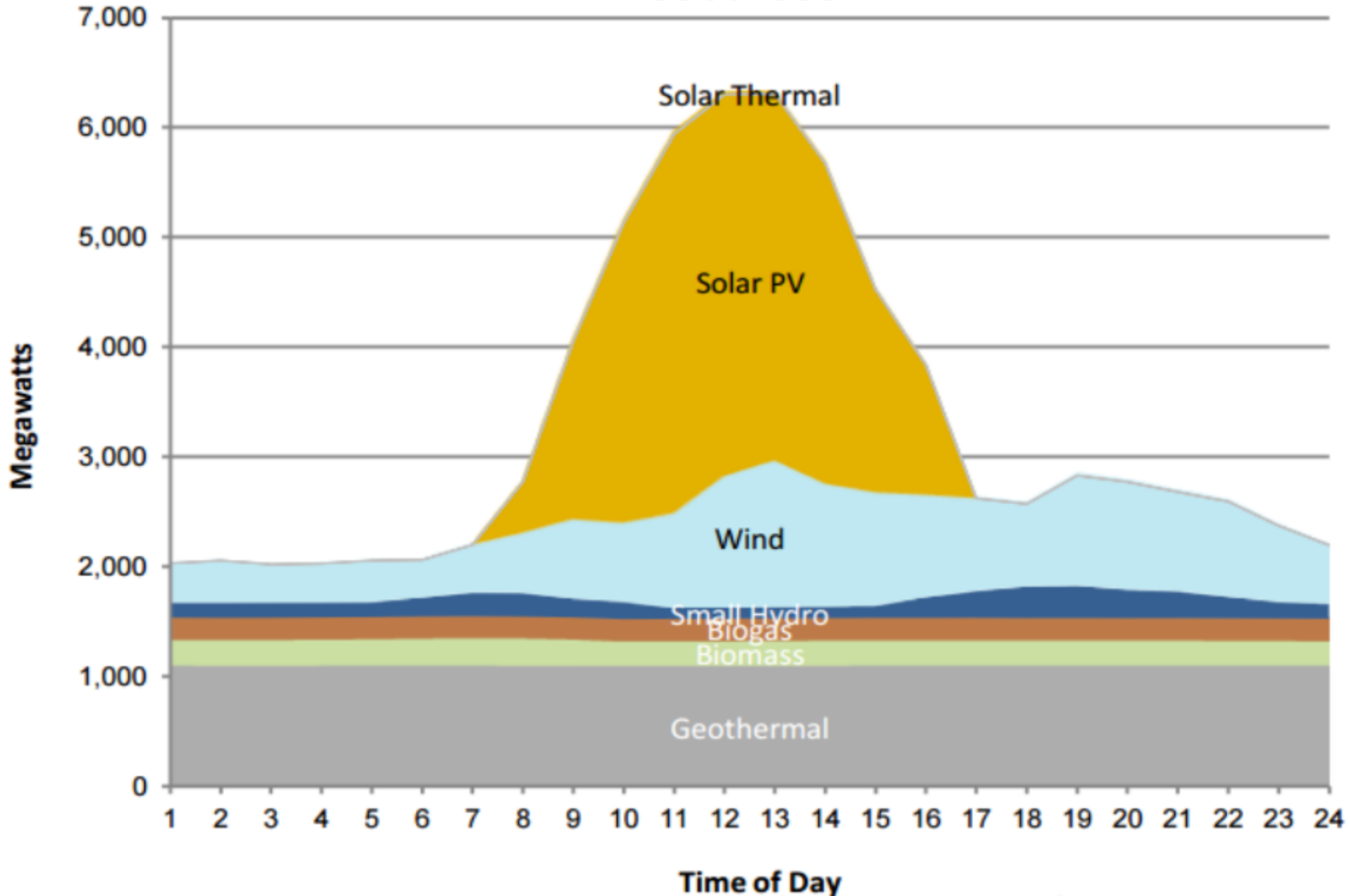
Live a Healthy Air Life!

Biomass Power in Jeopardy (on life support) in California

- State law (Renewable Portfolio Standard) requires 50% (by 2030) of utility power to be renewable
 - Utilities have purchased significant amounts intermittent renewable power (solar and wind)
 - Approximately 8 cents/kwh
 - Reduced need for “baseload” power
 - By 2030, 20% of CA power will be solar or wind
- Biomass plants generally provide baseload power
- Biomass plants’ long-term contracts are expiring
 - Contracts for 12-13 cents/kwh

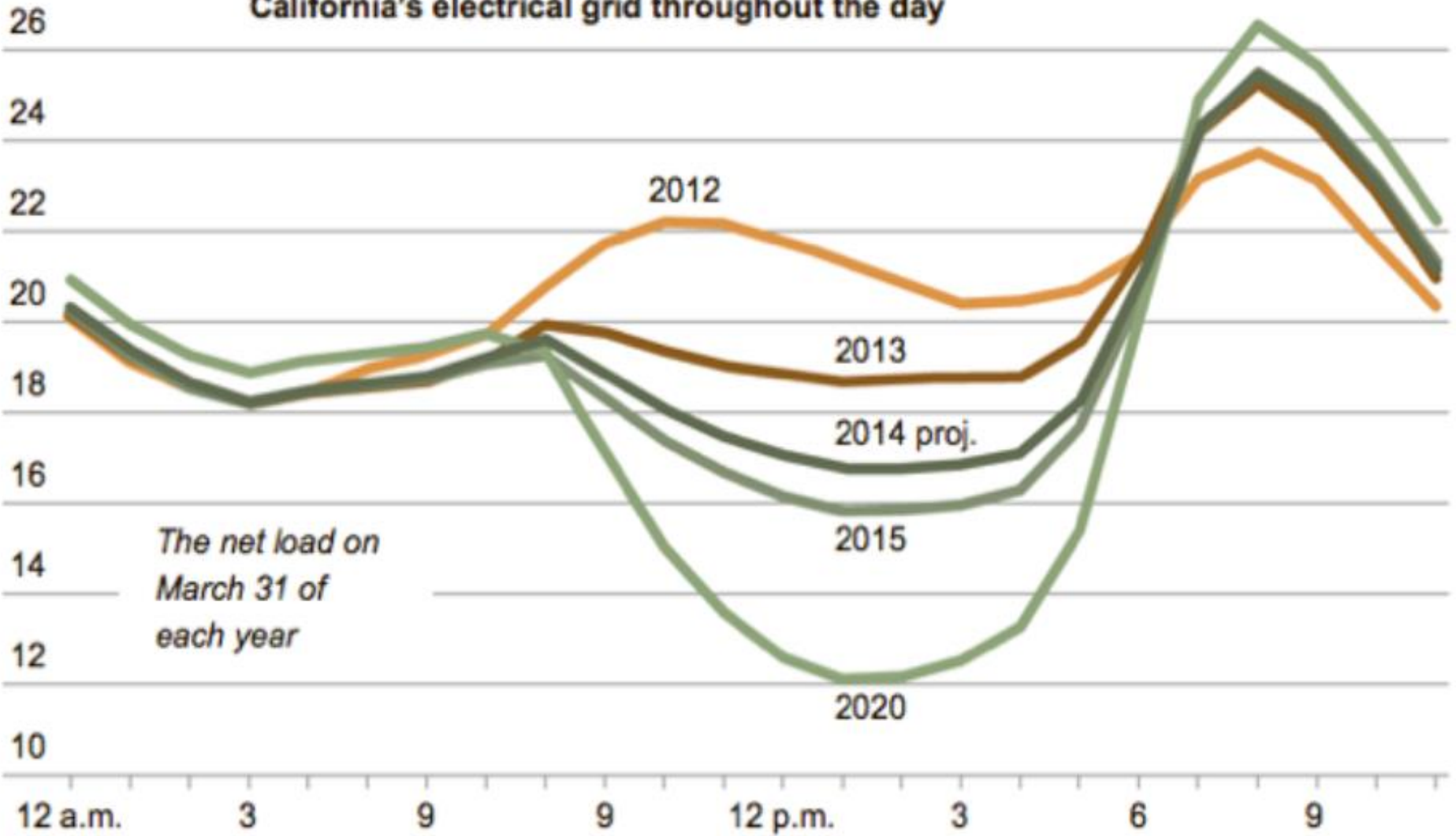


Hourly Average Breakdown of Renewable Resources



28 thousand megawatts

California's electrical grid throughout the day



*The net load on
March 31 of
each year*

District Outlook on Biomass

- District cannot count on long term viability of biomass power industry
 - State energy policies disfavor biomass
 - Business model not profitable without public subsidy
 - Lack of coordination and communication with farmers
- Needed at least as an intermediate option while working to identify other feasible alternatives to open burning
- State energy policies should consider and monetize community benefits of biomass
 - Reduced pollution from open burning
 - Forest waste and tree mortality
 - Assist in meeting landfill diversion goals

