



January 4, 2013

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 12-GREP-1
1516 Ninth Street
Sacramento, CA 95814-5512
Via email: docket@energy.ca.gov

SUBJECT: Comments to Proposed Renewable Energy Planning Grants

The California Energy Commission (CEC) has asked for stakeholder input to assist with development of a competitive grant solicitation to be opened to qualified California counties to provide assistance in development or revision of local rules and policies regarding development of renewable energy projects eligible for consideration under the Renewables Portfolio Standard (RPS).

We understand that the solicitation will be offered in compliance with passage of Assembly Bill x1 13, (Perez, Chapter 10, Statutes of 2011), promulgated as Section 25619 of the Public Resources Code. If appropriated, up to \$7 million will become available to counties whose lands include portions of the Mohave and Colorado Deserts, and those within the San Joaquin Valley. In large part, this funding is designed to aid in advancing and streamlining local permitting for large-scale renewable energy projects encompassed by the programmatic state/federal environmental impact statement and regional conservation planning processes now being finalized as elements of the Desert Renewable Energy Conservation Plan (DRECP). This broad effort initiated by Executive Order S-14-08 is due for release early in 2013.

The current consideration of planning grant assistance is understood to be restricted to only 15 counties: Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Merced, Riverside, San Bernardino, San Diego, San Joaquin, San Luis Obispo, Stanislaus, and Tulare. Other restrictions apply, in general, to ensure County participation in "natural area conservation plans" a process and policy to be more fully described in the final DRECP documentation.

General Comments:

County Eligibility. It is the nature of programmatic environmental documents, both under the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA) that subsequent projects "tier" off of the primary assessments. The renewable energy planning and project development advancement provided by the DRECP and all attendant documents recognizes this, and is intended to provide a model upon which to rapidly develop additional "Natural Community Conservation Plans" (NCCP). Eligibility policy guidelines for the proposed Planning grants should make clear that a NCCP is necessary, and that a County must agree to that plan's provisions. Yet the law extends this eligibility to "grandfather" numerous counties that at this time *do not* actually have lands addressed in certified NCCPs. The law essentially states that the Plan must come before the grant, then writes in specific exceptions to that rule (including amendments received to date that added San Luis Obispo County as

eligible, sans NCCP). Therefore any county (or group of counties) in California that can (a) complete and have certified a new NCCP, (b) become a signatory to an existing NCCP, or (c) be added to the eligibility list by legislative amendment should become eligible for CEC planning grants as long as funding remains available prior to the 2015 program sunset.

Project Eligibility. Counties determined to be eligible for proposal submission can seek grant funds for the "development or revision of rules and policies, including, but not limited to, general plan elements, zoning ordinances, and a natural community conservation plan as a plan participant, that facilitate the development of eligible renewable energy resources, and their associated electric transmission facilities, and the processing of permits for eligible renewable energy resources." An eligible county seeking to develop policies, rules, and ordinances associated with renewable energy projects must apparently restrict those rules to projects that will be eligible as a "renewable electrical generation facility" under the RPS. This unnecessarily restricts grants to exclude development of localized controls for "renewable energy" that is non-electrical in product nature, such as renewable fuels. As the CEC well understands, energy extends beyond electricity generation, and so should planning grant project eligibility.

Specific Comments to CEC Questions:

- 1. What are the renewable energy and natural resource conservation planning needs and priorities in the qualified counties?*
That is indeed something that should be left to each County to determine, rather than established by the CEC as a grant policy. The County should state its needs as an element of the grant proposal
- 2. What types of development or revision of rules and policies should be funded through this grant?*
Whatever meets that specific County's requirements according to its own needs should be eligible for funding, as long as the result is to advance renewable energy development.
- 3. What barriers to implementation of the rules and policies do counties face? For example, resource, financial, and/or legal constraints.*
This is the second element a proposing County should provide: a "Needs Assessment."
- 4. How will the development or revision of rules and policies described in answers questions 1 and 2 facilitate the development of eligible renewable energy resources, and their associated electric transmission facilities, and the processing of permits for eligible renewable energy resources?*
Again, this is a question appropriate to the grant application. A proposing County should clearly state how use of funds will facilitate renewable energy development.
- 5. How much will the development or revision of rules and policies described in questions 1 and 2 cost and how long will it take to complete? Can the development or revision of these rules and policies be completed in phases if funding for such work and time to expend such funds is limited and what would that phasing look like?*
The criteria of the grant allocation require that a County complete its programmatic changes within two years of receipt of the grant. This will in essence dictate that such projects are relatively small in scope and vision, unless the CEC stipulates that a grant can fund a "phase" of a larger, more costly, longer-term project and or program.

6. *How many renewable energy projects has your county permitted to date? What were the resource types, sizes, and scales of these projects, and how long were the permitting processes?*

Again, this is a question pertinent to each county's actual application: Renewable energy project permitting background is needed to validate the proposal's statements of need.

7. *Do counties plan to work on revisions to rules and policies with regional partners? If so, what regional partners will you work with and what role will these partners play?*

It is the nature of regional conservation plans such as the DRECP and its subsequent analogues that counties *must* engage surrounding jurisdictions. The scope of the NCCP provides one measure of regionalization necessary, yet the law's expansion beyond strictly certified NCCPs leaves regional collaboration open to the County or counties to determine. The CEC should expect and encourage multi-jurisdictional partnering.

8. *What criteria should the Energy Commission use to score and rank grant applications? Please offer specific criteria and the rationale/basis for such criteria.*

Overarching criteria are defined by the law and provide the first level of assessment to determine if a proposal is responsive to the solicitation. Beyond submission completeness and considerations of eligibility addressed above, these include (a) a specificity of which rules and policies need change, and why, (b) facilitation of the development of eligible renewable resources and their associated electric transmission facilities, and the processing of permits for eligible renewable energy resources, (c) contribution to meeting long-term energy and climate goals and provide local communities with resources to develop tools to accommodate renewable energy development, (d) proposed projects or "phases" of larger projects that can be completed within the grant timeline, (e) a preference for proposed general plan modifications that facilitate multiple renewable energy technologies, and (f) a preference for adopted geothermal elements.

Proposals that address implementation of more than one state policy, rule and or mandate should be given preference, including, for example, the local development of guidelines for implementation of AB 341 as this applies to local energy development.

Proposals that include project-specific "case studies" should be given precedence, especially where key renewable energy projects currently mired in obtuse permitting could directly benefit by such direct attention and problem-solving. California has a backlog of excellent projects that would now be providing clean, renewable energy but for the maze of contradictory and often impossible permitting requirements.

Proposals that include development of cross-jurisdictional, regionalized solutions should be given precedence. One example is where proposed rules development addresses Air Basin multi-jurisdictional regulatory conflicts that consistently stifle real project development.

Any proposal that can isolate and address a very specific regulatory conflict that interferes with renewable energy development and results from inter-agency purview should be given a high priority.

Any proposal that can show and address clear and obstructive bias resulting from the imbalance of rules and regulations favoring one industry or type of energy over another should be given preference. An example would be where long-standing rules and regulations favor petroleum-sourced energy over renewable energy, or where self-serving lobbying has precluded one form of emerging renewable energy development over a better funded alternative.

9. *Should the Energy Commission create two funds within this grant solicitation with one providing criteria and funding for counties in the DRECP and one providing criteria and funding outside of the DRECP? If so, how should the criteria and funding amounts for DRECP and non-DRECP counties differ? Should the funding be allocated competitively?*
See General Comments above; the difficulty is more complex than could be solved by simply forming two grant solicitations.
10. *Public Resources Code Section 25619(b) allows the Energy Commission to allocate not more than 1 percent (\$70,000) of the appropriated funds to provide training to county planning staff to facilitate the siting and permitting of eligible renewable energy resources. What type of training will benefit county planning staff the most?*
A great number of very recent inter-related state and federal policies, rules and mandates now complicate development of local standards and implementation. A comprehensive review of recent requirements impinging on local renewable energy planning could optimize implementation.

Please contact me at (530) 613-1712 or mtheroux@jdmt.net if you have any questions.

Sincerely,

JDMT, Inc



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