

November 11, 2009

Attn: David Mehl
Energy Section Manager
Air Resources Board
(916) 323-1491
dmehl@arb.ca.gov

Subject: Bioenergy in California Renewable Electricity Standard – Workshop October 30, 2009

Dear Mr. Mehl,

The ANTARES Group Inc. is an independent consulting and project development firm specializing in renewable energy and energy efficiency projects. Our experience ranges from evaluating specific project or market opportunities to assisting in the development of government policies that result in clean, practical energy solutions. Our professional engineering and economic reputations are built on the capability to analyze complex interactions among fuel resources and infrastructure; energy conversion and distribution systems; environmental quality; market demands; and dynamic regulatory, legislative, and policy influences. Our clients include the Department of Energy, the Department of Defense, several state energy offices, and a host of private companies including several Fortune 500 utilities. We are widely recognized for our depth of experience in renewable energy systems and policies, especially in bioenergy.

As a California resident and the first employee of ANTARES' California office, I attended the Air Resources Board (ARB) California Renewable Electricity Standard (RES) meeting on October 30th, 2009. This meeting was informative and provided a good overview of the RES development process and concept outline, and it was also very successful at soliciting public comments and involvement.

Several of the comments expressed concern about the status of biomass projects in California, as well as the consideration of bioenergy projects in the RES regulations. With our longstanding experience in the bioenergy industry, ANTARES understands that biomass is a complex topic and often requires distinctly different regulation and monitoring techniques than other renewable energy technologies. This is especially true with respect to acceptable resource types, land use issues, and greenhouse gas emissions. The complicated nature of these issues can sometimes bring forth significant public concern.

ANTARES is very interested in providing ARB with assistance and input as the new RES regulations are developed. We have been instrumental in helping to develop biomass-related monitoring and regulatory processes for RPS and RES policies in other states, and are still actively engaged in these areas. For example, the firm's President, Ed Gray, was the Chairman for the Biomass Working Group and led the development of the biomass eligibility certification process and website for the New York State RPS. We are currently providing additional support and evaluation services for this program.

Mr. Gray also co-chaired the Western Governors' Association (WGA) Clean and Diversified Energy Initiative task force which assessed the potential contribution from biomass power and heat generation in Western states. This project was a springboard for several follow-on efforts supported by WGA, including the Strategic Assessment of Bioenergy Development in

the West that provided analytical support to give Western Governors and their respective state energy policy organizations and legislatures a clear understanding of the contribution that Bioenergy (fuels, electricity and thermal energy) can make to the energy requirements of the Western U.S. by 2015. The project team also provided a recommended policy framework to create an environment in which Bioenergy projects could thrive. ANTARES led the technical analysis for this effort, and I played a key role in developing the detailed cost and performance characterizations of biofuels production technologies and evaluating their associated environmental impacts. These characterizations were inputs for the GIS-based biorefinery siting model which was used to determine the potential biofuel development by 2015. The project team is currently completing an expansion of the model and assessments that apply to the entire U.S.

ANTARES is also responsible for monitoring and reviewing biomass projects for the Rhode Island Renewable Energy Standard, and has been involved in this effort for several years. Furthermore, a member of our staff has participated in the California Greenhouse Gas Emissions Verification program and is very familiar with the current RPS verification standards. With our wide range of experience in this area, we could provide tremendous value to the California RES policy development.

We will certainly continue to participate in the public workshops and forums as they occur. In addition, please consider ANTARES for any biomass related working groups or discussion groups. We would welcome the opportunity to meet with you to further discuss the treatment of bioenergy in the Renewable Electricity Standard. Please contact me if you have any questions; my contact information is provided below.

Best regards,



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cc: Gary Collord, Air Pollution Specialist, Air Resources Board (gcollord@arb.ca.gov)