



New York
Biomass Energy
Alliance

January 24, 2010

To: RGGI Program Staff

Subject: Comments on the revised RGGI Operating Plan

I had the opportunity to participate, on behalf of our Alliance, in the public hearing on the Revised RGGI Operating Plan on January 13, 2010.

This memo summarizes points made during that hearing.

- 1) Given the reduced programmable funding available as a result of actions by the Legislature and the Executive, we are pleased that the revised plan still includes \$4.5 million in the category of Sustainable Agriculture and Bioenergy.
- 2) We regret the elimination of funding for product development and demonstrations, and hope that funding can be found from future RGGI auctions and other sources, particularly for bioenergy development outside the electricity sector, which has had a harder time finding funding under system benefit charge-funded NYSERDA programs.
- 3) The current plan dedicates all year-one funding to demonstrations of climate-friendly farming. While this is certainly an important area for exploration, it is also one which has and will continue to receive generous funding at the national level from USDA and other Federal sources. Moreover, solutions in this area, whether it be in manure management or tillage practices, are not particularly geographically specific. New York farmers can, and will, adopt cost-effective low-carbon farming solutions developed elsewhere as they become available.
- 4) The areas of feedstock development and "market, policy, and institutional issues" have strong "New York" components, and we believe that the proposed funding will be useful to various segments of our industry. New York has a good start in developing cropped, forest sector, and residual biomass feedstock production and management solutions, but much work remains to be done.
- 5) **In light of the above, we would suggest that the limited amount of RGGI funding now available be focused on feedstock development in the first and second years, with programming stemming from the Renewable Fuels Roadmap in the second and third years.**

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Dan Conable, Director