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California State Senate

**SENATOR
TED GAINES**
FIRST SENATE DISTRICT



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AND HOUSING

23 February 2018

The Honorable Nury Martinez, Chairwoman
Energy, Climate Change & Environmental Justice Committee
City Hall, Room 470
200 N. Spring St.
Los Angeles, CA 90012

Re: CF#18-0133 – approval of Southern California Public Power Authority renewable power contract with ARP-Loyalton Cogen LLC

Dear Councilmember Martinez:

I want to express my support for the LADWP power purchase agreement (PPA) with the Southern California Public Power Authority (SCPPA) for biomass power to be supplied by ARP-Loyalton Cogen LLC commencing this spring.

The Sierra County and Tahoe Basin regions surrounding the Loyalton facility are in the headwaters—or upper watersheds—of the Sierra Nevada, and supply most of the water used by California’s farms and cities. These areas are part of the state’s natural water infrastructure—and their health is at risk.

A combination of legislated changes to forest and fire management practices as well as climate changes in the past 20 years have resulted in state and national forests that have become overly dense and prone to much more extreme wildfires. The recent drought in the western US has resulted in the loss of more than 129 million trees. This biomass has been a large source of fuel contributing to the massive and increasing number of fires across the state of California.

Large fires raise numerous challenges for water management—they can reduce water quality and reservoir storage capacity, while increasing risks of flooding and landslides. The state, including Los Angeles, needs to support programs that restore and ensure future forest health.

A white paper recently released by the non-partisan Public Policy Institute of California (PPIC) (www.ppica.org/content/pubs/report/R_1016JM4R.pdf) describes the threats and potential responses to this wildfire danger. One conclusion from this report that support for lumber mills and biomass generation plants in proximity to forests is warranted. To argue that the mulch

market can absorb the volumes of dead and dying trees, or that these trees are suitable for lumber is inaccurate. Most, if not all of the dead trees, have little commercial value because of damage caused by bark beetles. Furthermore, all of the biomass power plant fuel is sourced from tops and limbs from timber production. This source of fuel has no other commercial value and otherwise remains in the forest as a highly combustible material.

Biomass facilities like the Loyalton Cogen plant are an integral part of the long-term protection of the headwaters forests in the Sierras. These watersheds have been severely impacted by vast forest fires over the past decade. The Loyalton plant ensures that hundreds of thousands of tons of residual biomass can be removed from the national forests under careful supervision of the US Forest Service and CALFire for years to come.

One final observation: during 2017, California suffered the single most damaging wildfires in its history. Here are the facts:

- 9,133 fires
- 1,381,405 acres burned
- \$13 billion of damages and firefighting costs
- 10,800 structures destroyed
- 46 deaths
- 230,000 persons evacuated

And this was in a year when we had historical rainfall and a passing presumption that wild fire damage and our drought were no longer a risk.

Biomass power plants in California remove more than 6,000,000 tons of dangerous fuels, provide employment for thousands of skilled individuals in our rural communities, and deliver renewable energy 24 hours a day, 365 days a year.

We respectfully ask for your support of the Loyalton contract with LADWP at this time. If you or any member of the committee have any questions, please feel free to contact my office.

Best Regards,



TED GAINES
Senator, First District

cc: Steven Mueller, President
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Loyalton, CA 96118