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The Honorable Alice Reynolds, President The Honorable John Reynolds, Commissioner California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102 Transmit Via Email

Regarding: Request to Extend/Modify the BioMAT Program

Dear President Reynolds and Commissioner Reynolds:

On behalf of the Mountain Counties Water Resources Association (MCWRA), I am writing today to urge the California Public Utilities Commission (Commission) to fully implement SB 1122, also known as the Bioenergy Market Adjusting Tariff (BioMAT) Program. The BioMAT program is scheduled to end on December 31, 2025. MCWRA asks the Commission to extend the program and adjust the program for inflation.

Community-scale bioenergy projects can provide a crucial source of revenue for much-needed biomass extraction using sustainable forest management practices. Among other benefits, these projects reduce the risk of severe wildfire, improve watershed health, decrease GHG emissions, and provide an economic boost for the mostly rural disadvantaged communities where they tend to be located. BioMAT is critical to the viability of these projects but, unfortunately, the price for power under BioMAT has not kept up with the cost of generation.

Bioenergy projects also reduce Short-Lived Climate Pollutants emitted by organic waste and wildfires, which cause 87% of methane emissions, and 90% of black carbon emissions in California. Extending and updating the BioMAT program is essential to achieving the State's SLCP reduction requirements, and mitigating wildfire risks.

MCWRA supports the Bioenergy Association of California's proposed inflation adjustment, leading to spurring much greater participation in the BioMAT program. The lack of price adjustment has resulted in slowed BioMAT implementation (along with other issues). The offering price in Category 1 has not adjusted since the starting price was established in 2014, the offering price in Category 3 has not adjusted since 2017, and the offering price in Category 2 has not adjusted since 2019. MCWRA urges the Commission to adjust the offering price to reflect inflation since the last price adjustments for each Category.

MCWRA advocates for the water interests of its 58 members in 12 of the mountain counties within the Wildland-Urban Interface (WUI) of woodland and forested lands in the Sierra Nevada. These foothill and mountain areas contain the headwaters for 40% of the state's developed water supply and also provides for hydropower production, irrigation, recreation, water recycling, tourism, and instream flows that fuel the engine of our State's economy.

Sincerely,

Justin Caporusso, Executive Director

Mountain Counties Water Resources Association

c: Board of Directors, Mountain Counties Water Resources Association