



Farm Bureau at work

California Farm Bureau's government affairs team is at the Capitol, advocating for farmers, ranchers and agriculture's future. Here are some key issues Farm Bureau is focused on this week.

April 7, 2023

Climate Change

Last week, Senator Ben Allen significantly amended [SB 709](#) which, amongst many amendments, would eliminate the requirement for CARB to guarantee methane reduction projects, such as dairy digesters, to receive Low Carbon Fuel Standard (LCFS) credit for at least 10 years and would also eliminate the requirement for those projects to be eligible for an extension of credits after the first 10 years. This bill would also require CARB, in implementing the LCFS regulations, to update the carbon intensity of each pathway for fuel derived from livestock manure to include all emissions of greenhouse gases generated from the production of the fuel and all emissions of greenhouse gases generated from the production of the feedstock. If passed, this legislation would affect the financing and implementation of any new projects. The development of dairy digesters is widely recognized by the California Air Resources Board and the Legislative Analyst Office as the most productive and cost-effective climate investment currently being implemented. Without these critical incentives, new projects will not be developed, and existing projects will not remain economical and will cease operating. Farm Bureau is engaged with agricultural stakeholders and raising our many concerns to the author's office. This bill will be heard in the Senate Environmental Quality Committee on April 19. Senator Ben Allen, the author of the bill, chairs this committee. *Staff: Chris Reardon; creardon@cfbf.com and Katie Little; klittle@cfbf.com*

Energy

Farm Bureau filed a letter of concern regarding [SB 688](#), introduced by Senator Steve Padilla, which would require the Energy Commission to award grants for agrivoltaic system projects to support research and development in agrivoltaic systems and study the impacts of agrivoltaic systems on farms and on electricity generated from solar panels. Agrivoltaics or dual-use solar is the simultaneous use of areas of land for both solar photovoltaic power generation and agriculture. The grant program is aimed at, but not limited to, the University of California, the California State University, and community colleges. Farm Bureau has been in communication with the Senator's office regarding the bill and how it may be improved. Particularly, Farm Bureau is concerned with adding agrivoltaics to the definition of "agricultural use" in the Williamson Act and ensuring that the study will evaluate all necessary components such as irrigating and harvesting under solar panels as opposed to traditional agriculture, amongst other things. The bill will be heard Monday, April 10, in Senate Energy, Utilities and Communications. Farm Bureau will continue to be in communication with the Senator's office and anticipates helpful amendments prior to the bill being heard next in Senate Agriculture. *Staff: Kevin Johnston; kjohnston@cfbf.com*

Transportation

California Farm Bureau continues to engage on the rulemaking process for [Advanced Clean Fleets](#), a regulation that targets the electrification of large diesel fleets in California. At the end of March, the California Air Resources Board provided mostly technical amendments to the previously drafted regulation. Section D of the released draft has added problematic language moving the deadline of 100 percent ZEV sales from 2040 to 2036. Farm Bureau continues to express concerns with ZEV availability, charging infrastructure in rural communities, and the costs associated with upgrading fleets. This item will be heard in front of the Board on [April 27](#). *Staff: Katie Little, klittle@cfbf.com*

Utilities

A bill to expand the state's electric grid, [AB 538](#) (Holden-D), is up for its first policy hearing next week. It is the latest iteration of the effort to expand the management of the western transmission grid to include other states and potentially take advantage of other western generation sources. The bill would authorize CAISO (the California Transmission Operator) to develop a governance proposal for a regional grid. The governing documents would be reviewed by the California Energy Commission. Thereafter, the proposals and documents would be subject to review by the California Energy Commission, the California Public Utilities Commission and the CAISO for review, to make sure the plan followed parameters set in the bill. The bill would also create a committee to "provide guidance" to CAISO, with representatives from Western states whose utilities have joined the new regional grid.

The last time the regionalization proposal was considered was in 2018 and was met with significant resistance for various reasons, including some who are concerned that the clean energy goals of California would be difficult to measure if power was imported from other states. In reviewing the bill one cause for concern is that there is no mention of the need to ensure that rates do not increase as a result of any expansion. California has a history of creating new entities and imposing the cost for their administration on customers.

AB 538 will be heard in the Assembly Utilities & Energy Committee on Wednesday, April 12th. In advance of the hearing CAFB submitted a Letter of Concern highlighting the fact that the legislation does not affirmatively address the cost implications for a regional grid. Since this is the first hearing for the bill, amendments are anticipated prior to the next hearing which will dictate whether CAFB takes a more determinative position on the bill.

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