

ASSEMBLY SELECT COMMITTEE ON RENEWABLE ENERGY ECONOMY IN RURAL CALIFORNIA

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Mr. Chairman and Members,

Our panel this afternoon is titled “Optimizing Land Use Planning for Renewable Energy Development on California’s Agricultural and Rural Lands.” It’s certainly a timely topic. California farmers and ranchers lead the nation in use of solar power and other renewable forms of energy. But renewable-energy mandates have added pressure for conversion of productive farmland for utility-scale energy projects.

As an advocate for California’s farmers and ranchers, I represent our 76,500 agricultural and associate members at both the state and local levels. One of my top priorities as Farm Bureau’s tax and land use specialist for the last 25 years has been the conservation of California farmland. Over those years, our member county Farm Bureaus have asked me to seek adoption of right-to-farm ordinances and agricultural elements in county General Plans, and to urge appropriate mitigation for the conversion of farm and ranch land under the California Environmental Quality Act. Farm Bureau has also worked to protect the integrity of the California Land Conservation Act of 1965 (popularly known as the Williamson Act) both in the Legislature and the courts. We sponsored the Act’s principles of compatibility in 1994, the creation of Farmland Security Zones in 1998, and have worked to protect the Open Space Subvention program during the current and previous state budget crises.

I provide this brief background so that you will appreciate Farm Bureau’s perspective when I tell you that “optimizing land use planning for renewable energy development” must not come at the expense of our state’s abundant agricultural resources and our nation’s food security. Specifically, we are adamant that California’s farmland protection laws must not be sacrificed in a rush to expedite the development of large-scale renewable energy projects. The state is beginning to get serious about “smart growth,” including infill and higher density residential and mixed-use developments that are transit-oriented and pedestrian-friendly. Such developments will reduce greenhouse gases and protect our irreplaceable and finite supply of farmland. But we cannot at the same time simply look the other way and allow leap-frog industrial land uses on prime farmland in exclusive agricultural zones.

Very bluntly, we reject the notion that it is in the public interest to convert prime farmland to large-scale renewable energy projects when there are hundreds of thousands of acres of marginally productive or physically impaired land that could be used for this purpose while preserving productive land. Unfortunately, soil productivity is not generally a consideration for impacts unless the land is enforceably restricted by a Williamson Act contract.

Both the Legislature in its enactment and the courts in their interpretation of the Williamson Act have established the importance of California agriculture to the state and the nation as well as the fact that its preservation is essential. The adoption of the principles of compatibility contained in Government Code §51238.1 in 1994 and several California Supreme Court decisions relative to contract cancellations have advanced California’s public policy to assure constitutional

compliance with the enforceable restriction requirement in Article XIII Section 8 of the California Constitution.

As previously mentioned, protecting the integrity of the Williamson Act is one of Farm Bureau's top priorities. We have watched in dismay as a growing number of utility-scale solar projects have been proposed in exclusive agricultural zones, including agricultural preserves and on lands restricted by Williamson Act contracts. That is why we strongly supported SB 618 by Senator Wolk to allow landowners and local officials to simultaneously rescind Williamson Act contracts and enter into easement agreements to allow photovoltaic solar facilities on the same land. SB 618 creates a new process to allow some landowners on farmland that clearly is marginally productive or physically impaired to rescind their Williamson Act contracts, provided the land is enrolled in a newly created solar-use easement. We would like to thank all of the members of this select committee for their support of this important measure.

That being said, Farm Bureau believes California can develop renewable energy facilities for electrical power generation that does not significantly impact the state's agricultural resources. For example, there is a wide range of options for on-farm generation of electricity from renewable sources such as wind, solar, fuel cells, micro-hydroelectricity, biomass energy and anaerobic digestion that can complement continued agricultural production. Our members are committed to fully utilizing the resources available to them in their operations, and that can often include renewable energy generation.

SB 489 by Senator Wolk will allow all of these forms of renewable energy to participate in the net metering energy program. Allowing all forms of renewable energy to participate in net metering is important because other avenues for utilizing energy on-site proved to be overly complex. One of the complexities has been the cost and processes associated with connecting the generation with the electric system. We are hopeful the process currently underway at the CPUC to review and resolve the complexities associated with interconnection will translate to additional small-scale, renewable generation integrated into farming and ranching operations. AB 920 by Assembly Member Huffman from last year will also allow net metering customers to sell incidental excess energy to the grid or receive a credit on an annual basis when usage and generation don't quite match up.

The small feed-in tariff program pursuant to Public Utilities Code section 399.20 currently under refinement and implementation at the CPUC will also provide important opportunities to integrate renewable generation with our farms. In some cases, the net metering structure does not match up with an operation's needs and a workable feed-in tariff for small generators up to 3 MW would be a better fit. For example, dairies that install biogas facilities very often will need a larger system than the 1 MW allowed through net metering. Farms and ranches must integrate the renewable generation with the geographically dispersed nature of their electrical service. One missing element that would augment renewable energy opportunities is the ability of farmers to aggregate the electric usage on multiple accounts and offset it against the renewable generation. Aggregation would allow them to optimize benefits of the renewable generation.

A recently completed 500 kw solar energy facility in Plumas County, which powers more than 900 horsepower of irrigation pumps and center pivot sprinkler systems on 6,000 acres, would not have been feasible without an aggregated net metering agreement. This hay and cattle ranch is the fourth largest user of power of the Plumas-Sierra Rural Electric Cooperative (PSREC) and the project will generate enough electrical power to cover 90 percent of its annual agricultural power demand. PSREC not only welcomed meter aggregation but actually required it in order to

control fluctuations in power and reduce potential disruption to the regional power grid. We can only hope that other publicly owned and independently owned utilities will eventually embrace meter aggregation, so farms and ranches can more efficiently utilize renewable sources of energy.

In conclusion, I would be remiss if I did not express Farm Bureau's deep disappointment in Pacific Gas and Electric's decision to exercise their power of condemnation to take prime farmland for the CPUC-authorized utility-owned renewable energy facilities program. Such action is nothing more than a calculated but ultimately heedless attempt to avoid the Williamson Act's farmland protection objectives. Specifically, half of the parcels in the first round of acquisitions are on prime farmland here in Fresno County and are proposed to be taken under threat of eminent domain in order to nullify their Williamson Act contracts. This proposed action has sent shockwaves through the agricultural community and sparked outrage in the members of the Fresno County Board of Supervisors. We respectfully urge the county governments not to overreact to this assault on their land use planning authority by approving Williamson Act cancellation on other legally suspect projects on prime farmland or by attempting to skirt the principles of compatibility that prohibit utility-scale projects on contracted land.

Thank you for the invitation to participate in this important discussion this afternoon.