

December 31, 2019

California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Tier 2 Pathway Application: Application No. B0058 – Response to Public Comment dated December 27, 2019, filed by Association of Irrigated Residents, Central California Asthma Collaborative, and Leadership Counsel for Justice and Accountability

To Whom It May Concern:

Amp Americas (“AMP”) writes on behalf of RDF Jasper, LLC to provide responses to the objections raised in a letter submitted as public comment on the above referenced Tier 2 Pathway Application. AMP is responding to those parts of the letter that describe factual or methodological errors and are within the scope of the LCFS program as per 95488.7 d5(A). The coalition of groups submitting comments demonstrate the admirable intent to protect California and Indiana air quality and prevent and reduce Greenhouse Gas (“GHG”) emissions – goals AMP shares. Unfortunately, the arguments presented in their letter and their call for denial of the application are antithetical to our shared goal to reduce GHGs and are based on false claims and unsupported assertions. Most troubling though, the argument fails to acknowledge that dairy Renewable Natural Gas (“RNG”) projects capture and destroy methane that previously escaped to the atmosphere. Methane is 25 times more potent as a GHG than CO₂. Measured in dollars per tonne, capturing and destroying methane at dairy farms is the most cost-effective solution for reducing transportation related GHG emissions.

Taking the letter’s five main assertions (*in italics below*) one by one, we provide responses (**bolded text**):

- 1) *information and data included in the application and relied upon for approval is redacted such that an independent review of the proponent’s claims and the accuracy of calculations and impacts is impossible*

AMP provided all required information in its application including the full text of relevant air permits. The information redacted is Confidential Business Information and protected by California Government Code 6254.7. ARB staff has reviewed all data relating to the applications and carbon intensity (“CI”) calculations. Similar information is also provided to the EPA for the RFS program. In 2020, third party validation will be utilized (as required by ARB) to review all project information to provide an additional layer of transparency and oversight. Further, additional public information is available at ARB’s website relating to the project’s Livestock Offset Protocol and ROC generation filings.

- 2) *the project will increase air pollution and threatens water quality in the locality and region, thus undermining the state’s climate, environmental justice, and equity goals*

This statement is false. First, the project produces several tangible benefits for the farm, the local community, and the environment. The project captures methane and destroys it. Post digestion, manure is separated into solids and the liquids are applied to crop land to recycle

nutrients, reducing demand for chemical fertilizer which is far more likely to create adverse environmental impacts. Common practice in the region is manure storage and land application. The presence of a digester introduces no new water quality issues. Other benefits to climate, environmental justice and equity include reducing odors, converting nutrients to more usable forms for crops, and supplying well-paying jobs for the local community.

Second, the project produces tangible benefits for the climate and California's air quality. RNG produced at the project displaces diesel in heavy trucks running in California. We may all envision a future in which transportation is electrified including heavy duty trucks, but there is simply no viable all electric Class 8 truck. Even in California, the majority of grid power is non-renewable, meaning that recharging is not zero emission. RNG is simply the cleanest way to move heavy goods and reduce air pollution and GHG emissions from transportation in California.

- 3) *it appears that the GHG calculations ignore both potential GHG emissions and double count alleged GHG reductions.*

The project's GHG calculations do not ignore nor appear to ignore potential GHG emissions. There is no double counting of GHG reductions.

The basis of the project's CI score is baseline GHG emissions. Without digesters, the dairies would emit methane from manure storage. The project captures those emissions and destroys them. The CI calculation explicitly and conspicuously accounts for GHG capture and destruction.

The project's digesters use no feedstock other than dairy manure. In the past, some of the digesters accepted other feedstocks, but have not done so since 2017. Therefore, there can be no double counting GHG impact from other feedstocks.

- 4) *this project will actually incentivize the production of methane*

This assertion is wholly unsupported. Dairies have adopted manure management practices to most responsibly manage their herds and lands. They have sized their herds based on demand for their product, not for gas production. To qualify for the LCFS program and Livestock Offset Protocol dairies must improve their emissions versus a baseline of emissions measured before they participate in the program. So, benefits must be and are incremental.

This argument also fails to recognize that RNG is displacing diesel fuel and not electricity.

- 5) *the project will contribute to methane leakage from transport of gas.*

The project will displace fossil natural gas and diesel fuel. Further, the CA GREET 3.0 (as with prior versions) takes into account a standard allowance for pipeline losses. The public comment letter falsely states that this is not accounted for, when it is explicitly accounted for.

In addition to the points above the public comment letter contains additional harmful and misleading statements (*in italics below*) which warrant responses (**in bold text**):

Page 2, paragraph 3 - Finally, it is critical that there be up-to-date, accurate, verifiable, and ongoing monitoring of greenhouse gas emissions and air pollution along with water discharges from the subject dairies and related digester operations.

For its participation in this program, ARB requires the project to report quarterly data and to have the data provided to ARB regularly verified by an independent 3rd party reviewer. The dairies participate in water quality monitoring and report to their regulator in Indiana as required by 327 IAC 16. This comment falsely implies that the project is not supplying the demanded data to ARB.

Page 2, paragraph 4 - This project will threaten environmental degradation in the local community and throughout the region due to increased air pollution and groundwater contamination. Studies find that manure exiting a digester emits as much as 81% more ammonia than raw manure. Increased ammonia together with increases in NOx creates an even more intensive ammonium nitrate PM 2.5 impact.

This comment ignores the fact that the project is capturing methane, destroying it, and using the methane to displace fossil diesel fuel. The study cited was not reproduced, and other studies found no increase in ammonia. Last, when applied to fields, post-digester nitrogen is easier for plants to absorb, and less runs off the fields – which would improve local water quality, not threaten it.

Page 3, paragraph 6 - As noted above, the The Bos Dairy, LLC, Herrema Dairy, LLC, and Windy Ridge Dairy, LLC are permitted to use materials other than onsite manure in their digesters - including cooking oil, distillers grain, food waste - and manure from other locations. It is unclear whether or not the applicants are double counting carbon credits through use of various feedstocks to produce and then distribute gas in multiple states. The Bos Dairy had a contract in the past to supply renewable energy to Ohio. Applicants may also be able to double count credits through use of distillers grain which is already used as a LCA credit in carbon accounting for ethanol under the LCFS.

For its participation in the program, the project is required to submit quarterly affidavits attesting to the amount of renewable energy generated and the conversion of such renewable energy into transportation fuel as defined in RFS statute 40 CFR §80.1401. Third-party validation under the RFS QAP program also verifies the end use of the fuel. The project also attests quarterly to volumes of renewable energy that are utilized as transportation fuel in the State of California.

The projects do not currently and have not in the past two years sold renewable energy or made credits relating to renewable energy sold, delivered, or used in Ohio or anywhere or for any purpose other than as RNG used as transportation fuel in California

Page 3, paragraph 4 – Additionally and alarmingly, at least one dairy that will be the beneficiary of this project unlawfully discharged wastewater into surface water. At the very least, CARB must verify that each applicant is conforming with all mandated environmental requirements prior to

approving any application and must incorporate reporting procedures that ensure ongoing compliance with legal mandates.

and Page 4, paragraph 5 – These dairies may not be in compliance with local environmental regulations.

The farms on which the projects are located have remediated any past violations and have no open issues with IDEM (the agency to which the Federal EPA delegates its authority in Indiana). They are in full compliance with all environmental permits. ARB requires the projects to provide reporting and attestation on permit compliance. The comment on page 4 falsely accuses the farms of non-compliance without evidence and falsely implies that the projects are not reporting on environmental compliance.

* * *

In conclusion, AMP and RDF Jasper have fully complied with the requirements of the LCFS program in submitting the Tier 2 Pathway Application: Application No. B0058. We respectfully request ARB to finalize its approval of the pathway without delay so that we may continue our verified, measured, science based GHG emissions reductions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Grant Zimmerman', with a long horizontal flourish extending to the right.

Grant Zimmerman
CEO Amp Americas