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Clerk of the Board Air Resources Board 1001 I Street Sacramento, CA 95814

Searles Valley Minerals provides the following comments regarding the proposed California Cap On Greenhouse Gas Emissions and Market-Based Compliance Mechanisms, regulation:

- 1. Table 8-1 and Table 9-1 in the proposed regulation both reference NAICS Code 212391 as soda ash manufacturing.
 - The 2007 NAICS Definition for Code 212391 is:
 Potash, Soda, and Borate Mineral Mining. This U.S. industry comprises establishments primarily engaged in developing the mine site, mining and/or milling, or otherwise beneficiating (i.e., preparing) natural potassium, sodium, or boron compounds. Dry lake brine operations are included in this industry, as well as establishments engaged in producing the specified minerals from underground and open pit mines.
 - In Table 8-1 the more appropriate ARB Classification would be: Potash, Soda and Borate Mining and Manufacturing
 - In Table 9-1 the more appropriate descriptions would be: Sector – Potash, Soda and Borate Mining and Manufacturing Activity – Potash, Soda and Borate Mining and Manufacturing Product Output – Either, Tons of Product or Tons of Potash, Soda and Borate Product
- 2. Section 95590. Recognition of Offset Credits for Early Action.
 - Per this section, early action offsets are allowed only if specific protocols are used. It would be beneficial to have a mechanism for entities that took early action through energy efficiency or energy reduction projects to receive credit for these activities. Two possibilities are to allow third party verification of the specific project(s) or to allow the source to benchmark in a timeframe prior to the emissions reductions. Improving energy efficiency or reducing energy usage are important ways of reducing GHG and copollutant emissions and are also more accessible for implementation for many facilities than those identified in the Livestock, Urban Forest, Ozone Depleting Substance and Forest Protocols.
- 3. Appendix J, Table J-4.
 - In the Table, NAICS Code 212391 has an ARB Classification of Soda Ash Mining and Manufacturing. The more appropriate classification would be: Potash, Soda and Borate Mining and Manufacturing.

- 4. Appendix J, D.1.f.v., Soda Ash Mining and Manufacturing (NAICS 212391) / General Stationary Fuel Combustion Sources (Subpart C).
 - The operation at Searles Lake referenced in this section produces multiple soda and borate products, previously produced potash and has the ability to produce potash in the future. The final paragraph in this section states that staff proposes using *tons of soda ash produced* as the output metric for this sector. A more representative metric would either be *tons of product produced* or *tons of potash, soda and borate product produced*.

Searles Valley Minerals appreciates the opportunity to comment on the proposed regulation.

Sincerely,

Ross H. May

Director, Environmental Affairs

Searles Valley Minerals