

**Staff Summary
Method 2A Application
GFP Ethanol, LLC dba Calgren Renewable Fuels
Pixley, California
Corn and Sorghum Ethanol
(Pathway Codes: ETHC127, ETHC128, ETHG025)**

Deemed Complete Date: December 18, 2015
Posted for Comment Date: December 22, 2015
Certified Date: January 4, 2016

Pathway Summary

GFP Ethanol, LLC dba Calgren Renewable Fuels (Calgren) operates an ethanol plant in Pixley, California. Calgren has applied for three Method 2A pathways under the California Low Carbon Fuel Standard (LCFS) utilizing the CA-GREET1.8b model. The plant is a dry mill, natural-gas-fired facility capable of producing 60 million gallons anhydrous ethanol from corn and grain sorghum per year. Corn sourced from California counties for the production of ethanol do not use lime in corn farming. This is due to high soil pH levels in these counties and is attested to by analysis from the University of California at Davis and other supporting documentation. In addition, the sorghum sourced from the Midwest Great Plains region by Calgren also do not use lime in the production of grain sorghum. This is attested to by separate documentation provided by the applicant. The plant also sources corn from the Midwest Great Plains regions where lime is required as a supplement to maintain soil pH levels for maximum productivity. The plant uses local grid electricity and natural gas (NG) for its process energy. It can also use California dairy digester gas as an alternative to natural gas as process fuel. The facility produces wet distillers grains with solubles (WGDS) and corn oil as co-products from the ethanol production process.

Carbon Intensity of Ethanol Produced

The applicant has requested two corn ethanol pathways and one grain sorghum pathways. Details of these pathways are provided in Table 1.

Table 1. Details of Pathways Requested by Calgren Pixley

| Pathway No. | Calgren Ethanol Pathways |
|-------------|---|
| 1 | Midwest corn, with lime use, 4% CA dairy digester gas and 96% NG |
| 2 | California corn, with no lime use, 4% CA dairy digester gas and 96% NG |
| 3 | Midwest grain sorghum, no lime use, 4% CA dairy digester gas and 96% NG |

The California corn and Midwest grain sorghum no-lime use pathways specify that no more than two percent of ethanol would be sourced from fields which require use of lime for corn and sorghum farming. The applicant provided two years of natural gas and electricity invoices covering the months of February 2011 through January 2013. Using average energy consumption values calculated from these invoices and other facility-specific CA-GREET inputs, the applicant calculated the CI of these pathways as shown in Table 2 below.

As there are no reference pathways for dairy digester gas to be used as process fuel in a corn ethanol plant, these pathways will therefore not be subject to Method 2A substantiality requirements.

Table 2. Proposed Lookup Table Entries

| Fuel | Pathway Identifier | Pathway Description | Carbon Intensity Values (gCO ₂ e/MJ) | | |
|----------------------|--------------------|---|---|-------------------------------------|-------|
| | | | Direct Emissions | Land Use and Other Indirect Effects | Total |
| Ethanol from Corn | ETHC127 | 2A Application*: Midwest Corn; California Ethanol; Dry Mill; Wet DGS; 4% Dairy Digester Gas, 96% NG | 45.34 | 30 | 75.34 |
| | ETHC128 | 2A Application*: California Corn; California Ethanol; Dry Mill; Wet DGS; 4% Dairy Digester Gas, 96% NG; No Lime | 38.20 | 30 | 68.20 |
| Ethanol from Sorghum | ETHG025 | 2A Application*: Midwest Sorghum California Ethanol; Dry Mill; Wet DGS; 4% Dairy Digester Gas, 96% NG; No Lime | 46.91 | 30 | 76.91 |

*Specific Conditions Apply.

Operating Conditions

Operations at the plant will be subject to the following operating conditions designed to ensure that the CI of the corn and grain sorghum ethanol produced at the Calgren Pixley plant will remain at or below the values appearing in table above. These conditions must be met for every gallon ethanol sold in California:

1. No conditions are placed on the amounts of electricity and natural gas consumed and the ethanol yield at the Calgren Pixley plant, so long as the CIs reported in the above table are not exceeded. For purposes of determining compliance with this operating condition, the plant’s CI will be calculated based on data from the most recent 12 months of operation, excluding periods of abnormal operations, such as planned maintenance or unpredictable, unavoidable, and uncontrollable force majeure events. The plant’s thermal and electrical energy use and ethanol yield values are classified by the applicant as confidential business information.
2. No more than two percent of the California corn or Midwest grain sorghum used as a feedstock at the Calgren Pixley plant shall be grown on fields on which lime (or other pH-management soil conditioner) has been applied. This operating condition applies to all gallons produced at the Calgren plant regardless of where those gallons are sold. California corn grown in the counties in the immediate vicinity of the Calgren plant can be used to produce ethanol under the ETHC128 fuel pathway codes (FPCs), so long as it is grown on soils with pH values equal to or greater than 5.0.

3. As long as above three pathways shown in the Lookup Table CI are not exceeded, they may be used to report transactions involving volumes from the Calgren Pixley plant based on 100 percent wet DGS the plant produces.
4. Carbon Intensities are calculated based on four percent Dairy Digester Gas estimated by Calgren. To earn LCFS credits, Calgren shall provide detailed data for all reporting periods when credit is claimed with these pathway CIs. To ensure credit, the use of dairy digester biogas must be equal to or greater than four percent by volume of the total gaseous fuel used at the facility (balance fossil natural gas).
5. The commingled feedstock¹ accounting method will be used to determine the CIs of mixed feedstock from California and/or Midwest corn and grain sorghum. Producers and regulated parties should use this approach to calculate the volumes based on weighted average of ethanol associated with each feedstock present in the finished fuel storage tank at any given time. Producers should be able to provide records that unequivocally associate specific quantities of feedstock with specific volumes of fuel produced. As volumes are added to and withdrawn from the tank, the volume of each feedstock-related CI will be adjusted to account for those additions and withdrawals. Commingled feedstock CI accounts for mixed-feedstock corn and grain sorghum must be directly determined over an accounting period of no more than a calendar quarter. That is, all volumes of fuel produced must be associated with a specific feedstock within a calendar quarter. Gallons will be associated with feedstocks based on the accepted yields for each fuel.

Staff Analysis and Recommendations

Staff has reviewed the Calgren Pixley Method 2A application and finds the following:

- Staff has replicated, using the CA-GREET spreadsheet, the carbon intensity value calculated by the applicant;
- Staff has concluded that the plant's actual thermal and electrical energy consumption are not likely to exceed the thermal and electrical energy consumption levels specified in the Calgren Method 2A application; and
- Staff has concluded that Calgren is capable of operating its plant in a manner such that the ethanol yield is equal to or greater than the corresponding value specified in Calgren's Method 2A application, and that compliance with the operating conditions above can be maintained.

¹ California Air Resources Board, 2012. Mixed-Feedstock Bio- and Renewable Diesel Guidance Low Carbon Fuel Standard, December 3, 2012: <http://www.arb.ca.gov/fuels/lcfs/2a2b/internal/mixed-feedstock-bdrd-120112.pdf>

On the basis of these findings, ARB staff recommends that Calgren Pixley application for the above Method 2A pathways be certified.