



# LCFS Guidance



## Low Carbon Fuel Standard (LCFS) Guidance 19-06

### Determining Carbon Intensity of Dairy and Swine Manure Biogas to Electricity Pathways

Revised: October 2019  
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#### INTRODUCTION

The California Air Resources Board's (CARB) Low Carbon Fuel Standard regulation, which appears at sections 95480 to 95503 of title 17, California Code of Regulations, is designed to reduce greenhouse gas emissions associated with the life cycle of transportation fuels used in California. CARB staff has prepared this guidance document to describe the regulatory requirements in a user-friendly format. Unlike the regulation itself, this document does not have the force of law. It is not intended to and cannot establish new mandatory requirements beyond those that are already in the LCFS Regulation, nor can it supplant, replace or amend any of the legal requirements of the regulation. Conversely, any omission or truncation of regulatory requirements does not relieve entities of their legal obligation to fully comply with all requirements of the regulation.

#### BACKGROUND

Pursuant to section 95488.8(i)(1) of the LCFS Regulation, electricity produced from renewable or low-carbon intensity (CI) sources may be matched to electricity that is either used as a transportation fuel or used in electrolysis to produce hydrogen for transportation purposes using book-and-claim accounting.<sup>1,2</sup> LCFS stakeholders, particularly dairy and swine manure operations that do not have access to the natural gas common-carrier pipeline, have expressed interest regarding this opportunity for biogas-derived electricity.

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<sup>1</sup> Book-and-claim accounting refers to the chain-of-custody model in which decoupled environmental attributes, such as Renewable Energy Certificates, are used to represent the ownership and transfer of transportation fuel under the LCFS without regard to physical traceability.

<sup>2</sup> For more information on book-and-claim accounting for low-CI electricity see LCFS Guidance 19-01; note that the biogas or other fuel must be directly supplied to the electricity generation unit. For more information on book-and-claim accounting for biomethane see LCFS Guidance 19-05; note that these provisions are applicable to the use of biomethane in natural gas vehicles and hydrogen production.

Pursuant to the fuel pathway classification system described in section 95488.1, a Tier 2 fuel pathway application<sup>3</sup> is required for low-CI electricity. A Tier 2 pathway applicant may use the CA-GREET3.0 model or, subject to CARB approval pursuant to section 95488.3(a) and 95488.7(a), an equivalent or superior model, to determine the CI of the site-specific resource(s) and generation equipment. The Tier 1 Simplified CI Calculators for Biomethane<sup>4</sup> are designed to determine the CI of pathways where biomethane is dispensed as CNG, LNG, and L-CNG for transportation fueling; however, these calculators may be modified to determine the CI of biogas-derived electricity.

The purpose of this document is to provide technical guidance on how the Tier 1 calculator for biomethane could be modified to determine the CI of biogas-derived electricity as part of a Tier 2 application. The Tier 1 Simplified CI Calculator for Biomethane from Anaerobic Digestion of Dairy and Swine Manure is utilized as an example for a pathway in which biogas is supplied to a stationary reciprocating engine and generator set with 30% electrical efficiency.

## **POTENTIAL MODIFICATIONS TO SIMPLIFIED CI CALCULATOR TO SUPPORT A TIER 2 APPLICATION**

The Tier 1 Simplified CI Calculator may be modified to determine the CI of biogas-derived electricity as part of a Tier 2 fuel pathway application. The following steps provide an illustrative example for a hypothetical pathway in which all biogas captured from a dairy or swine manure digester is cleaned and supplied to an onsite electricity generation unit; note that additional modifications may be necessary depending on the specific pathway's processing steps, metering, and equipment. Consult with LCFS Fuels Evaluation Section staff for assistance if the biogas is supplied to more than one end use, as the instructions in this specific document do not pertain to such a scenario.

1. Enter all required data for the manure management and digester operations in the 'Manure-to-Biogas (LOP Inputs)' tab, and for the biogas-electricity generation operations in the 'Biogas-to-RNG' tab, using the Tier 1 calculator Instruction Manual<sup>4</sup> as guidance. Specifically:
  - a. In the "Biogas-to-RNG" tab, enter the monthly metered quantity of raw biogas produced in standard cubic feet (SCF) and the methane concentration (%) in raw biogas in fields 2.4 and 2.5, respectively. If this is the same quantity as

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<sup>3</sup> Tier 2 requirements and application process are described in section 95488.7. Refer to the Application Checklist for Tier 2 Electricity pathways for specific documentation requirements, available at: <https://www.arb.ca.gov/fuels/lcfs/fuelpathways/pathwayapplicationprocess.htm>.

<sup>4</sup> All Board-approved life cycle analysis tools including Tier 1 Simplified CI Calculators and Instruction Manuals are available at: <http://www.arb.ca.gov/fuels/lcfs/ca-greet/ca-greet.htm>.

- “raw biogas at inlet to cleanup/upgrading,” entries in fields 2.6 and 2.7 may be duplicated from fields 2.4 and 2.5.
- b. In the “Biogas-to-RNG” tab, enter metered monthly biogas input to electricity production in fields 2.24 and metered electricity produced in 2.25 for total on-site electricity production from biogas. The total biogas used (MMBtu, HHV) in the operational data period will appear in cell W54 and the total electricity generated will appear in cell X52.
  - c. If any biogas or biogas-derived electricity is consumed onsite, enter the metered monthly consumption in field 2.16 or 2.17, and consult with CARB staff regarding any additional potentially necessary modifications.
  - d. In the “Biogas-to-RNG” tab, leave field 2.23 blank.
2. In the “Avoided Emissions” tab alter the following formulas to use Cell C45, which references the quantity of biogas supplied to electricity generation rather than the quantity of biomethane pipeline injected in cell C43:
- a. In cell C47, replace the allocation factor formula with **C45/C40**.
  - b. In cell C50, replace **C49/C43** with **C49/C45**. Similarly, in cell G51 of the same tab, replace **G50/C43** with **G50/C45**.
3. Determine the CI adjustment factor using project-specific electrical efficiency:

To incentivize the utilization of energy efficient designs and technologies that enhance production of low carbon fuels (including electricity) to displace conventional fossil fuels, a technical CI adjustment factor should be included in the CI calculation of biogas-derived electricity pathways that reflect avoided methane emissions. This adjustment serves to reasonably limit the LCFS incentive for low-efficiency pathways relative to higher efficiency ones. Without this adjustment, pathways with low efficiency generation would receive about the same amount of LCFS credit as high efficiency pathways, and therefore there would be no incentive to install higher efficiency electrical generating equipment.

Similar adjustments are included in the Tier 1 Simplified CI Calculators for Biomethane from Anaerobic Digestion of Organic Waste and Dairy and Swine Manure; the adoption of those Tier 1 Simplified CI Calculators established a precedent for such a CI adjustment approach to be reasonably included in conceptually similar (e.g., Tier 2) pathways. In the Tier 1 Biomethane pathways, the carbon balance is used to determine the theoretical maximum quantity of methane that could have been produced. As it relates to electricity used as a transportation fuel, it is less clear what the theoretical maximum fuel quantity is: the carbon balance approach is not applicable to electricity, a carbon-free energy carrier, and no electrical generation system currently exists in which 100% of the energy in methane can be converted to electricity. Thus, CARB staff suggest that 50% is a reasonable efficiency benchmark based on the average efficiency

of NG-derived electricity at California power plants and best available technologies for electricity production, including solid oxide fuel cells.<sup>5,6</sup>

a. The calculation of the adjustment factor is illustrated below:

$$f_{adj} = \frac{\eta_e}{\eta_{benchmark}} = \frac{kWh_{produced} \times 3,412 \text{ Btu/kWh}}{MMBtu_{(HHV)biogas\ consumed} \times 10^6 \text{ Btu/MMBtu} \times 50\%}$$

Where,

- $\eta_e$  represents the electrical efficiency of the generating unit, if less than 50%, and is determined for each project using the total quantity of biogas (in MMBtu, higher heating value basis) supplied to the power generating unit and the quantity of electricity generated over the operational data period. If the electrical efficiency is greater than or equal to 50%, no adjustment is required ( $f_{adj} = 1.0$ ).
- $\eta_{benchmark}$  represents the benchmark efficiency of 50%.

For example, the adjustment factor of an IC engine genset with an efficiency of 30% is calculated as:

$$f_{adj} = \frac{\eta_e}{\eta_{benchmark}} = \frac{30\%}{50\%} = 0.6$$

The adjustment factor is applied to the subtotal CI to determine the final CI. This subtotal CI includes net methane from the digester (avoided methane), fugitive methane from biogas cleanup, and net CO<sub>2</sub> (engine emissions and CO<sub>2</sub> diverted from the baseline scenario); emissions from energy use (e.g., grid electricity or utility natural gas) are not adjusted.

b. In the “EF Table” tab, starting from cell D89, add the following parameters and formulas to calculate the adjustment factor:

|    | D                                      | E  |
|----|--|--|
| 89 | Reciprocating eng. Efficiency (LHV), % | =‘Biogas-to-RNG’!X52*Reference!F49/‘Biogas-to-RNG’!W55 |
| 90 | Reciprocating eng. Efficiency (HHV), % | =‘Biogas-to-RNG’!X52*Reference!F49/‘Biogas-to-RNG’!W54 |
| 91 | Benchmark efficiency (HHV), %          | 50%  |
| 92 | Adjustment factor                      | =IF(E90/E91<1, E90/E91,1)                              |

<sup>5</sup> California Energy Commission (October 2018). Thermal Efficiency of Natural Gas-Fired Generation in California 2018 Update. CEC-200-2018-011

<sup>6</sup> Solid Oxide Fuel Cells use natural gas to generate electricity and may achieve 50–60% electrical efficiency. See e.g., Solid Oxide Fuel Cells fueled with biogas: Potential and constraints (2019). Renewable Energy, Volume 134. Available at: <http://www.sciencedirect.com/science/article/pii/S0960148118313478>

A thermodynamic comparison of solid oxide fuel cell-combined cycles (2018). Journal of Power Sources, Volume 397. Available at: <http://www.sciencedirect.com/science/article/pii/S0378775318307432>

4. Calculate emissions from electricity production:

- a. The emission factors for biogas electricity production using a stationary reciprocating engine (in g/MMBtu of biogas input) are built into the “EF Table” tab of the calculator. If another technology is used to produce electricity from biogas, information entered in the area from cell C76 to cell E83 should be modified to reflect the emissions of such technology. Applicant should consult with LCFS Fuels Evaluation Section staff for assistance deriving appropriate emission factors for technologies other than a stationary reciprocating engine.
- b. In the “EF Table” tab, starting from cell E75, add the following parameters and formulas to apply the adjustment factor to the combustion emission factors for biogas electricity production using a stationary reciprocating engine.

|    | C                                    | D                   | E  |
|----|--------------------------------------|---------------------|--|
| 75 | <b>Biogas electricity production</b> |                     | <b>Adjusted carbon balance using ratio in E92</b>  |
|    | <b>Stationary</b>                    | <b>g/MMBtu</b>      |  |
| 76 | <b>Reciprocating Engine</b>          | <b>biogas input</b> | <b>g/MMBtu biogas input</b>  |
| 77 | VOC                                  | 62.7                | =D77*\$E\$92   |
| 78 | CO                                   | 273.5               | =D78*\$E\$92   |
| 79 | CH4                                  | 446.0               | =D79*\$E\$92   |
| 80 | N2O                                  | 0.9                 | =D80   |
| 81 | CO2                                  | 57561.1             | =D81*\$E\$92   |
| 82 | <b>Subtotal gCO2e/MJ</b>             | 66.0                | =(E77*Reference!\$B\$22+E78*Reference!\$B\$23<br>+E79*Reference!\$B\$20+E80*Reference!\$B\$21+E81)<br>/Reference!\$H\$45 |

5. Convert the CI result to per MJ of electricity:

Several modifications in the “Biogas-to-RNG” tab appropriately incorporate the emissions from electricity generation and the adjustment factor from previous steps, and calculate the final CI of the biogas electricity:

- a. In “Section 2. Biomethane Production Data,” replace the original contents in cell D52 with **=IFERROR(SUMPRODUCT(C28:C51/SUM(C28:C51),D28:D51),0)**, and in cell F52 with **=IFERROR(SUMPRODUCT(E28:E51/SUM(E28:E51),F28:F51),0)**. This ensures the weighted average biomethane content is accounted for in the calculation.
- b. In “Section 4. CI Calculation Details,” modify each formula from cell F64 to cell F74, by replacing **\$V\$55** with **\$W\$55**. This modification changes the functional

unit of the CI from “per MMBtu biomethane injected into the pipeline” to “per MMBtu biogas used for electricity production.”

- c. In cell G67 and cells G71:G74, replace **Reference!\$H\$45** with **Reference!\$H\$45\*EF Table!E92**. This modification adjusts emissions that are associated with biogas combustion and fugitive emissions.
- d. Delete original content in cells B76:G83 and cells C85:G85, because the pipeline transmission, compression, liquefaction, and transportation of CNG and/or LNG are not relevant in this pathway.
- e. From cell B84 to cell G93, modify according to the following table. All blank cells in the following table do not contain values and their original content from the Tier 1 calculator should be deleted.

|    | B                            | C                                     | D              | E                    | F  | G   |
|----|------------------------------|---------------------------------------|----------------|----------------------|--|---|
| 84 | <b>Manure to Electricity</b> |                                       |                |                      |  | <b>gCO<sub>2</sub>e/MJ</b>                    |
| 85 | <b>3-CAMX Mix</b>            |                                       |                |                      |  |   |
| 86 |                              | <b>Reciprocating engine emissions</b> |                |                      |  |   |
| 87 |                              |                                       |                |                      |  |   |
| 88 |                              |                                       |                |                      |  | <b>=EF Table!E82</b>                          |
| 89 |                              |                                       | <b>Credits</b> |                      | Methane avoided  | <b>= 'Avoided Emissions'!C52*EF Table!E92</b> |
| 90 |                              |                                       |                |                      | CO2 diverted   | <b>= 'Avoided Emissions'!G52*EF Table!E92</b> |
| 91 |                              |                                       |                | Final electricity CI | <b>=IF(W52=0,0,(G68+G75+G89+G90+G88)/EF Table!E89)</b> |   |
| 92 |                              |                                       |                |                      |  |   |
| 93 |                              |                                       |                |                      |  |   |

Note that in this example, a stationary reciprocating engine is used to produce electricity from biogas; if another technology is used, cell C86 should be relabeled accordingly.

- f. Applicant should consult with CARB staff regarding any additional potentially necessary modifications.

## CONTACT

If you have questions regarding the above information, please visit the LCFS Contacts webpage: <https://www.arb.ca.gov/fuels/lcfs/contact.htm>.