



July 9, 2021

Submitted via electronic submittal

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

RE: AB 32 Scoping Plan Update

Wine Institute is writing to provide input as the California Air Resources Board (CARB) updates its AB 32 Scoping Plan. Wine Institute is a public policy advocacy group representing approximately 1,000 California wineries and affiliated organizations responsible for 85 percent of the nation's wine production. The California wine community has a long history of adapting to change and demonstrating its commitment to sound environmental practices and social responsibility. This history and engagement in sustainability programs has made California wine a leader in addressing climate change.

Much work is needed to achieve the state's carbon emission goals and there are many opportunities for partnerships with California businesses to achieve these goals. However, there are challenges as well. California's wine community have been impacted by repeated wildfires in recent years. It is estimated that California wineries will see damages of \$3.7 billion, over time, from just the wildfires of 2020. These losses are from lost buildings, equipment, wine, vineyards, as well as the significant loss in grapes that were left on the vine due to smoke exposure. According to the California Department of Food and Agriculture's Grape Crush Report, California saw its 2020 grape harvest decline by 13 percent from 2019. California's wine communities have seen devastating wildfires repeatedly in recent years and are ready to take action to work towards a significant reduction in the risks of catastrophic wildfires.

Repeated fires have also led to numerous public safety power shutoff (PSPS) events driving the need for California wineries to depend on backup power sources during harvest and crush. Wineries generally depend on diesel generators as their backup source of power as generators are the most reliable source of power when electricity is lost. It would be helpful for California to support research into other alternative power sources that could be available for backup power supply during PSPS events or other causes of electricity shutoffs.

In addition to research into alternative backup power, California wineries would benefit from incentives to upgrade winery operations to reduce energy consumption. The California Energy Commission's Food Production Investment Program has been a

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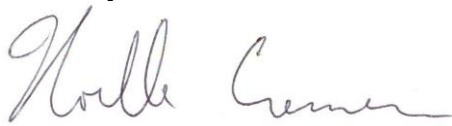
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successful incentive to assist wineries and food processors in equipment upgrades to increase energy efficiency.

California's wineries depend on a thriving agricultural production system to supply the grapes needed for winemaking. California's vineyards are leaders in implementing practices to reduce carbon emissions and increase sequestration. There are many opportunities for partnerships with vineyard owners and managers to increase the health of soils and implement other climate smart agricultural practices. Wine Institute has provided input as both the state and federal governments look to expand their climate smart agriculture programs. Attached are our comments outlining Wine Institute's recommendations on climate smart agriculture opportunities.

Wine Institute appreciates the opportunity to provide early comments as CARB updates its Scoping Plan and looks forward to participating in further discussions as the Scoping Plan is developed.

Sincerely,

A handwritten signature in cursive script that reads "Noelle Cremers".

Noelle G. Cremers
Director, Environmental and Regulatory Affairs

Enclosure

CC: Karen Ross, Secretary, California Department of Food and Agriculture
Jenny Lester-Moffitt, Undersecretary, California Department of Food and Agriculture



April 29, 2021

Mr. William Hohenstein, Director
USDA Office of Energy and Environmental Policy
1400 Independence Avenue, SW
Room 4059-Mail Stop 3815
Washington, DC 20250-3817

Submitted via eRulemaking Portal

RE: Tackling the Climate Crisis at Home and Abroad – Docket No. USDA-2021-0003

Dear Mr. Hohenstein:

Wine Institute is writing to provide input on the U.S. Department of Agriculture's (USDA) climate-smart agriculture and forestry strategy. Wine Institute is a public policy advocacy group representing approximately 1,000 California wineries and affiliated organizations responsible for 85 percent of the nation's wine production. The California wine community has a long history of adapting to change and demonstrating its commitment to sound environmental practices and social responsibility. This history and engagement in sustainability programs has made California wine a leader in addressing climate change. Wine Institute appreciates the opportunity to provide input as USDA shapes its climate strategy.

USDA has a long history of assisting farmers working to voluntarily improve conservation practices. Utilizing existing programs to promote climate-smart agriculture will be the most efficient way of getting broad adoption of climate-smart management practices. Farmers are used to working with the Natural Resources Conservation Service (NRCS) and Resource Conservation Districts (RCD) to implement practices funded under the Environmental Quality Incentives Program (EQIP) and other Farm Bill programs such as the Conservation Stewardship Program (CSP) and Regional Conservation Partnership Program (RCPP).

In addition, California vineyards and wineries that produce a vast majority of the state's winegrapes and wine are participating in industry-led sustainability programs – e.g., Certified California Sustainable Winegrowing, LODI RULES, Napa Green, SIP Certified – which address climate smart agricultural practices in the vineyard and winery. Practices include energy and water use efficiency, air quality and climate protection, soil health and pest management, etc. Wine Institute and the California Sustainable Winegrowing Alliance, a non-profit organization established by Wine Institute and the California Association of Winegrape Growers in 2003, have also studied the carbon footprint of California wine, calibrated the DeNitrification and DeComposition model (DNDC model), and worked with international partners to establish an International Wine Greenhouse Gas Protocol.

Recommendations for a Climate-Smart Agriculture Strategy

Address the Complexity Barrier. It is important to recognize the barriers to participating in government funded programs. One of the most common barriers mentioned by farmers is the complexity of the application process and the paperwork and documentation required to participate. Wine Institute recommends that climate-smart agriculture programs have simple application procedures and allow farmers to utilize existing documentation rather than having to apply separately for every program.

Allow Flexibility for Regional Differences. It should also be recognized that there are significant differences in agricultural practices and landscapes across the country. Programs should be designed to allow for local input and flexibility to allow programs to be tailored to the local environment.

Develop Common Metrics for Climate-Smart Practices. It would be helpful to develop a system that allowed the quantification of climate-smart agriculture practices. There is a desire to quantify the carbon sequestration and carbon emission reductions generated by farms and food and beverage processors. However, there is not a unified approach to gather this data. Instead, the state looks only at benefits from state funded efforts. There would be significant benefit to having a unified data set to understand investments made by individuals, states, and the federal government to gain a true understanding of the benefits provided by climate-smart agriculture practices.

There are existing tools available to help generate this information such as COMET-Planner, Cool Farm Tool and the DNDC model. Wine Institute urges that one or two of the existing tools that have been calibrated and validated for specific agricultural crops to document climate benefits be used, rather than designing yet another model that would need to gain acceptance within the agricultural community.

Provide assistance to market climate-smart agriculture practices in international markets. Consumers throughout the world are expressing their desire to promote climate-smart practices through their purchases. Wine Institute would like to see marketing assistance provided through USDA's Market Access Program to promote products produced on farms using climate-smart agriculture practices. Trade partners are already committing to help their producers market sustainably produced products. For example, the European Union's Farm to Fork strategy will assist their agricultural producers and food processors with implementing "environmentally friendly" farming practices. USDA's assistance in this area would help level the playing field.

Partner with Existing State Climate-Smart Programs. There are opportunities for USDA to partner with existing state-run climate-smart agriculture programs to allow a farmer to apply for both state and federal assistance with once application. California's Department of Food and Agriculture (CDFA) has been partnering with farmers to implement climate-smart agriculture practices since 2014. Of interest to California winegrape growers are CDFA's Healthy Soils Program (HSP) and State Water Efficiency Enhancement Program (SWEET) these programs provide financial and technical assistance to farmers to implement practices that increase the carbon storage capacity of soils, reduce greenhouse gases, and save water on California farms.

Collaborate with Respected Technical Service Providers. In addition to partnering with state-run climate smart agriculture programs, it is important to work closely with respected technical service providers. In California, the University of California Cooperative Extension (UCCE) and RCDs have both helped farmers understand and implement a wide range of conservation programs. The existing relationship these entities have with California farmers should continue to be utilized to help implement expanded climate-smart agriculture programs. These technical service providers will need funding to provide this

valuable service; and programs utilized to implement climate-smart agriculture practices should include funding for technical assistance.

USDA should also work closely with industry groups, private agricultural businesses, and NGOs to outreach to farmers, as well as working with UCCE and RCDs to implement climate-smart agriculture practices. Getting broad adoption of climate-smart agricultural practices is important and utilizing all available partners will help ensure the message reaches the largest group of farmers.

Fund Green Technologies to Help Speed Adoption. Adopting climate smart practices can often require investment in new technologies. Unfortunately, these technology costs often prohibit the adoption of beneficial practices. For example, the use of air curtain burners would reduce emissions from burning vines pruned or removed from vineyards. However, their use is cost prohibitive without additional incentives. In Napa County conventional burning of removed vineyards costs about \$550 per acre (including pulling, piling, burning, raking, and hauling) while using an air curtain burner costs about \$1,200 per acre. Wine Institute urges tax benefits, subsidies, grants, and cost-share programs to assist in the adoption of climate-smart technologies. USDA has a track record of partnering with farmers in California to adopt cleaner diesel tractors to improve air quality through EQIP. Expanding this program to include additional technologies would benefit numerous vineyard owners interested in investing in environmentally friendly technologies and practices.

Fund Research to Address Co-Benefits and Information Gaps. While partnerships with states and technical service providers will help broaden the adoption of climate-smart agricultural practices, additional research will also help expand the interest in adopting practices. Research is documenting the agronomic benefits of healthy soils and other carbon sequestration and emission reduction practices, but more research is necessary. It would be helpful to have research that quantifies the multiple benefits of combining carbon sequestration practices.

Research is also needed to quantify the carbon sequestered by permanent crops and the lifespan of the sequestration benefits. There is also research needed to document potential benefits from new carbon sequestration practices such as the addition of biochar to soils. California has placed restrictions on burning grapevines after removal due to air quality concerns. Turning retired vines into biochar through a cleaner burning system is a practice of interest to vineyard managers to recycle vines into a product to improve the health of the soil. However, more research is needed into the efficacy of this practice.

Co-Benefits for Wildfire Prevention. If research can document the value of biochar for carbon sequestration it could also be created out of fuels removed from forests. This concept is of particular interest to vineyards and wineries at high risk of fire due to their proximity to very high and high fire hazard severity zones. Utilizing fuels removed to lower fire risk on neighboring agricultural lands to increase carbon sequestration is of particular interest to Wine Institute's members. This would not only increase carbon sequestration potential on agricultural lands, but also lower transportation-related emissions by utilizing the biomass removed from forested lands near its source and reduce carbon emissions from catastrophic wildfires.

There is a need to reduce the effects of climate change and build resiliency across landscapes, but there is a very real need in the near-term for immediate work to reduce wildfire risk for Californians. It is estimated that California wineries will see damages of \$3.7 billion, over time, from just the wildfires of 2020. These losses are from lost buildings, equipment, wine, vineyards, as well as the significant loss in grapes that were left on the vine due to smoke exposure. According to the California Department of Food and Agriculture's Grape Crush Report, California saw its 2020 grape harvest decline by 13 percent from 2019.

There are myriad causes of the current wildfire situation facing California and significant work is necessary to bring the state back into a more natural fire regime. California is in need of resources to reduce fuel loads on the landscape and restore the health of its forests. These efforts will require the assistance of foresters and fuel-reduction crews, new markets for material removed from overgrown forests, and funds and technical assistance for restoration after fires occur. These are urgent needs, as the low rainfall this year has created extremely dry conditions and portends an early fire season.

Planning and education to engage communities in wildfire response and risk reduction. Specific assistance is needed in a number of areas to reduce the risks of catastrophic wildfire. The first step is assistance in planning and education. This effort is needed to help communities prepare for fires and educate community members on individual efforts that can be made by property owners to reduce fire risk. The next step is assistance in implementing necessary management practices to bring landscapes back to a fire resilient status.

Landowner assistance for healthy forest management. Assistance for improved management is needed in two areas. The first being technical assistance to aid landowners in choosing the appropriate management practices. The need for registered professional foresters in California is acute as they are the only individuals certified to develop plans for forest management in California. To meet the needs of landowners wanting to improve the management of their forests to reduce fire risk, USDA could provide assistance by hiring additional foresters. It is not uncommon for wineries on California's north coast to also own forestland, and regardless of ownership, wineries on the north coast are interspersed with forests and directly impacted by their management.

In addition to the need for technical assistance, landowners need financial assistance to do the work necessary to remove dead and diseased trees and excess fuel from their properties. Tree removal and fuel reduction work is expensive, and landowners would benefit from additional funding in cost share programs to help incentivize work necessary to improve the health of forests on private lands and reduce fire risks.

Funding for fuel reduction work will help improve the health of California's forests and make them more fire resilient. It will also help ready the landscape for prescribed fire and a return to a more natural fire regime. Funding through cost-share programs will help implement fuel-reduction projects, but additional research into new markets for materials being removed will help create market-based incentives to continue management practices that promote healthy forest management. In addition to market-based incentives, as mentioned earlier, utilizing removed forest material to incorporate into the soil and increase the carbon storage capacity of the soil are possible outlets for these materials and research into the feasibility and benefits of this practice would be beneficial.

Wine Institute appreciates the opportunity to provide comments as you work to develop a climate-smart agriculture and forestry strategy. Much work has been done in California on this path and there are many partnership opportunities to help build upon current efforts. Wine Institute looks forward to the availability of additional resources to further implement climate-smart agricultural practices.

Sincerely,



Charles Jefferson

Vice President, Federal and International Public Policy