



February 14, 2014

VIA ELECTRONIC SUBMISSION

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

Re: Proposed Amendments to California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (hereinafter “Cap-and-Trade”)

Paramount Farms, Inc. (“Paramount Farms”) appreciates the opportunity to provide comments to the California Air Resources Board (“ARB”) regarding the proposed amendments to California’s Cap-and-Trade program regulations (“Proposed Regulations”).

We have reviewed the proposed amendments to the Cap-and-Trade regulations and support the proposal to place nut processing facilities under the product-based benchmarking methodology. However, ARB should revise the proposed product benchmark factor for pistachios and almonds beyond three fractional digits (i.e., three figures after decimal point) to be more reflective of actual emissions associated with such food processing activities, especially considering that Paramount Farms is the only nut processing facility subject to the Cap-and-Trade regulation and that its historical actual data were exclusively used for developing the product-based benchmark factors. As such, we recommend ARB modify Table 9.1 of the Proposed Regulations to provide as follows:

NAICS Section	NAICS Code	Activity	Benchmark	Benchmark Unit
Food Manufacturing	311	Pistachio Processing	<u>0.2212</u>	Allowances/Short Ton of Pistachio
	311	Almond Processing	<u>0.0714</u>	Allowances/Short Ton of Almonds

Please note that the suggested figures with four fractional digits above are consistent with those documented in the previous correspondences with ARB during the product-based benchmarking methodology development activities in 2013.

We appreciate the opportunity to provide feedback on the Proposed Regulations and are available should the ARB require additional input or information.

Respectfully Submitted,

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

Melissa Poole
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Director of Government Affairs/Counsel

Cc: Dan Lee,
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Charles Lee,
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