

April 28, 2017

VIA ELECTRONIC SUBMISSION

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

RE: Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation

The Wonderful Company LLC (“Wonderful”), on behalf of Wonderful Pistachios and Almonds LLC (“WPA”), welcomes the opportunity to provide additional comments to the California Air Resources Board (“ARB”) regarding the proposed amendments to the California Cap on Greenhouse Gas Emissions (“Cap-and-Trade Program”) and Market-Based Compliance Mechanisms Regulation (hereinafter “Proposed Regulations”) released on April 13, 2017.

Wonderful appreciates ARB staff taking the comments of the agricultural industry into consideration during the most recent amendment process and working with Wonderful to develop amendments to the benchmarks for almonds and pistachios. While it is clear that more research is needed in order to finalize the Proposed Regulations beyond 2020, the current amendments are a step in the right direction. We are generally pleased with the proposed amendments, and specifically welcome the changes made to the following sections of the regulatory text:

1. Almond and Pistachio Definitions (Section 95802)

We support the new and amended definitions for pistachios and almonds and thank the ARB for working closely with Wonderful to ensure these definitions accurately reflect the nature of the products and processes. Wonderful agrees with ARB’s recommendation to include multiple definitions for almonds and pistachios, based upon processing methodology, in order to more accurately calculate the product-based energy required by each product type.

2. Inclusion of Product-Based Emissions Benchmarks for tree nuts (Section 95891)

Wonderful supports the current benchmarks proposed for pistachios and almonds as specified in Table 9-1 of Section 95891. We appreciate ARB continuing to incorporate product-based calculations of these benchmarks and are grateful for the support of ARB Staff who worked with us to ensure these new benchmarks accurately represent the emissions of this sector.

3. Removal of Allowances for Vintage Years 2021 and beyond (Section 95871)

Wonderful supports the removal of Table 8-3 and the text in Section 95871(d). We appreciate ARB taking into account the concerns raised by a number of stakeholders regarding the leakage studies and methodology utilized to calculate these assistance factors. The removal of this section from the Proposed Regulations will provide ARB and stakeholders with additional time to discern the applicability of these studies, as well as afford industry the opportunity to work with ARB to determine viable alternative solutions for the future of the Cap-and-Trade Program.

Wonderful remains committed to working with ARB to further refine the Proposed Regulations to ensure the final Cap-and-Trade regulations advance California's air quality goals while providing fair and appropriate requirements on businesses consistent with the intent of the law. We would be happy to discuss these comments at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to be 'Melissa Poole', with a stylized, flowing script.

Melissa Poole
Senior Counsel/Director of Government Affairs