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California Air Resources Board (CARB)
1001 I Street
Sacramento, CA 95814

November 8, 2022

Subject: Comments on AB1900 Proposed Biomethane Monitoring Recommendations Public Workshop,
October 18, 2022

To CARB Staff:

Anaergia Services LLC (Anaergia) is a global leader in diverting organics from landfill-bound waste and converting them into renewable fuel and soil amendments. Based in Carlsbad, CA, Anaergia is actively deploying anaerobic digesters in California for converting landfill diverted organic waste into carbon-negative fuels. Our Rialto Bioenergy Facility (RBF) – the largest landfill diverted organics to renewable fuel facility in America – can process over 175,000 tons per year of diverted organics and produce 1,000,000 MMBtu/yr of renewable natural gas (RNG). After 4 years of planning and construction with over \$180M invested, RBF is now operational and has created at least 50 permanent jobs, hundreds of construction and service jobs, and over 500,000 hours of construction work. These facilities are part of the 160 CalRecycle estimates are needed to meet California’s organic waste landfill diversion goals stated under SB 1383 and which are foundational for achieving carbon neutrality target by 2045.

Anaergia submits this letter as CARB proposes biomethane monitoring recommendations under AB 1900. Anaergia commends CARB for prioritizing development of a robust biomethane supply that preserves public health. Anaergia strongly supports a continued focus on increasing biogas and biomethane availability to reduce the impact on climate change from short lived climate pollutants (SLCPs) and support the goals of the LCFS programs and SB1383. Mitigating climate change through the reduction of SLCPs and the incentivization of RNG aligns well with the public health and safety objectives of AB1900. In particular, we encourage CARB to:

- Continue highlighting the role of food waste in bolstering RNG supplies in CA
- Consider implications of further requirements on adoption of in-state biomethane production
- Establish exemptions for existing pipeline RNG producers meeting current requirements

Continue highlighting the role of food and green waste in bolstering RNG supplies in CA

The Staff Presentation on October 18 identified new biogas source categories, including food and green waste. We appreciate CARB’s recognition of these critical feedstock sources in increasing biomethane supplies within the State, as well as promoting the utilization of RNG derived from food and green waste as a tool to meet SB1383 organics diversion and procurement goals.

Consider implications of further requirements on adoption of in-state biomethane production

Per the Staff Presentation on October 18, AB1900 is intended to “establish a process to promote and facilitate pipeline injection of biomethane in California.” As Californians, we are supportive of encouraging development of RNG production facilities in the state that employ Californians and support greenhouse gas reductions locally. However, we strongly urge CARB to note that the proposed requirements would increase cost of in-state RNG production. In general, developing, building, and permitting facilities in California

generally takes longer and costs more than in other States. In contrast, out-of-state RNG producers do not have to comply with California’s pipeline injection standards and benefit from much lower interconnection costs, a situation that could be exacerbated should the California Public Utilities Commission adopt additional standards for pipeline RNG that applies only to in-state producers. Such an update would increase costs for in-state producers to meet while out-of-state producers are held to much lower standards. This puts California-based companies at a disadvantage.

Promotion of California RNG aligns with other state policies which require the adoption of policies and incentives to promote instate production of RNG, including AB 1900 itself. These include:

- SB 1383 (Lara, 2016) requires agencies to “consider additional policies to support the development and use in the state of renewable gas, including biomethane and biogas, that reduce short-lived climate pollutants in the state.”¹
- SB 1122 (Rubio, 2012) requires the adoption of programs “to facilitate development of in-state biogas for a broad range of purposes.”²
- AB 2313 (Williams, 2016) requires consideration of options to increase instate biomethane production and use.³
- SB 840 (Budget, 2016) states that for “California to meet its goals for reducing emissions of greenhouse gases and short-lived climate pollutants, the state must . . . increase the production and distribution of renewable and low-carbon gas supplies.”⁴
- SB 1440 (Hueso, 2018) requires the CPUC to consider adopting a biomethane procurement program focused on in-state biomethane or biomethane that is physically delivered to California.⁵

In order to support the goals of AB 1900 and the above policies, CARB should consider opportunities to mitigate the negative impact on California RNG producers or to otherwise incentivize and promote California RNG that meets these more stringent standards (such as incentivizing in-state RNG in the LCFS).

Establish exemptions for existing pipeline RNG producers meeting current requirements

While Anaergia’s pipeline RNG facilities in California were designed to meet the current requirements, they are not configured to facilitate regular measurement of many of the proposed COC additions. Additional manual measurements, specialized procedures, monitoring system modifications, and additional use of commercial laboratory testing services are required to meet the proposed new standards. Compliance will present significant cost to RNG producers. Further, the necessary testing measures may not be commercially available. Rather than penalize existing RNG producers in the State for taking a leading role in climate and public goals, exemptions should be established such that producers may continue to demonstrate compliance based on the standards in place when the facility came online, without undue cost.

Conclusion

¹ California Air Resources Board, Staff Presentation entitled “Low Carbon Fuel Standard - Public Workshop: Potential Changes to the Low Carbon Fuel Standard,” July 7, 2022, slide 6.

²SB 1122 (Rubio), Statutes of 2012, Chapter 612, codified at Public Utilities Code § 399.20(f)(2)(D).

³ Public Utilities Code § 784.2.

⁴ Senate Bill 840 (Budget), Statutes of 2016, SEC. 10, §§ (b) – (i).

⁵ Public Utilities Code section 651.



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Climate change is a grave threat to our environment and our economy. California has set an ambitious climate strategy programs and laws to reduce greenhouse gas emissions. Implementing the above changes can support the development of robust supply of in-state carbon-negative RNG while encouraging the generation of in-state green jobs and sustained public health. We deeply appreciate your leadership in mitigating climate change and hope that our comments will help to make these excellent programs work even better in the future.

Respectfully,

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