



September 22, 2021

California Air Resources Board
PO Box 2815
Sacramento, CA 95812

Re: ***2022 Scoping Plan Update – Short-Lived Climate Pollutants Workshop***

Chair Randolph and Members of the Board:

Agricultural Council of California (Ag Council) represents over 15,000 farmers across California ranging from small, farmer-owned businesses to some of the world's best-known brands. Within this membership, Ag Council represents nearly 40 percent of the milk produced in California. We appreciate the opportunity to provide comments regarding the California Air Resources Board's (CARB) 2022 Scoping Plan Public Workshop on Short Lived Climate Pollutants (Workshop), held on September 8, 2021. The dairy community appreciates the work of CARB to partner with us to reduce Short Lived Climate Pollutants (SLCP) in order to reach the state's climate goals.

As CARB lays the path to achieve carbon neutrality in the 2022 Scoping Plan, it is critical that the state continue to invest in environmentally transformational practices while partnering with the agricultural community to avoid placing California farmers at a disadvantage. We thank California Air Resources Board (CARB) staff for recognizing the significant progress California dairy farmers have already made toward achieving the target goal in SB 1383 of 40 percent below 2013 levels by 2030.

During the Workshop, California Department of Food and Agriculture (CDFA) staff presented on the Dairy Digester Research and Development Program (DDRDP) and the Alternative Manure Management Program (AMMP). Both programs have had significant success in methane emission reduction. In fact, DDRDP alone has achieved more emissions reductions than any other California Climate Investment, representing 29 percent of all emissions reductions despite DDRDP's funding allocation of only 2.1 percent of the total funds, which makes DDRDP the *most cost-effective investment of any program* in the fight against climate change. It is critical that these programs remain and continue to expand in the 2022 Scoping Plan.

Both DDRDP and AMMP are oversubscribed from the dairy community. According to the CDFA staff presentation at the Workshop, DDRDP is oversubscription rate is 245% and AMMP oversubscription rate is 317%. These percentages show that California dairy farmers are eager to reduce emission with the state as their partner.

In July 2021, CARB released a draft Analysis of Progress for Achieving the 2030 Dairy and Livestock Sector Methane Emission Target (Analysis). To achieve the sector's

methane reduction goal by 2030, the Analysis found that a minimum annual appropriation of \$75 million in target-based capital funding is necessary for the DDRDP and AMMP until fiscal year 2027-28. Historically, during the latter years of the Brown Administration, \$99 million was appropriated annually for these successful methane emission reduction projects. In recent years, however, this funding has not remained constant.

In the budget passed by the Legislature earlier this month, only \$32 million was allocated to these programs, well below the \$75 million needed each year to achieve the 2030 goal. Considering the challenges presented to these programs, such as the increased cost of supplies due to inflation, an annual appropriation of \$75 million is the only viable option to reach the 2030 Dairy and Livestock Sector Methane Emissions Reduction goals. This funding should be allocated in a manner that is technology neutral, meaning that CDFA shall maintain the funding authority to allocate dollars toward both DDRDP and AMMP efforts based upon the merits of the project applications and the need to attain the 2030 goal.

Further, in the CDFA presentation, staff recognized that there is a need to quantify the many co-benefits and the economic benefits of DDRDP and AMMP. Further, there is a need to invest in plug and play nitrogen capture technology. Ag Council supports further quantification and research into the benefits and technologies associated with these programs.

We agree that enteric mitigation strategies will be effective in minimizing greenhouse gas emissions. In the Workshop and Analysis, CARB identified the great potential for enteric emission reductions. Specifically, in the Analysis, CARB staff “estimated that a scientifically proven, cost effective, safe, and consumer-accepted enteric methane mitigation strategy may be commercially available within the next three to five years.” Further, CARB “assumes the adoption of a feed additive with 30 percent enteric methane mitigation potential” with a 100 percent adoption rate of this feed additive by the entire sector. Although the potential for enteric emission reduction is sizeable, California cannot rely on assumptions to guide regulatory policy. We urge CARB to adhere to the voluntary, incentive-based provisions in statute as provided in SB 1383 (Lara), which was signed into law in 2016.

Under SB 1383 (Lara), enteric emissions reductions shall be voluntary, scientifically proven, and incentive based, among other factors. The statute reads:

Enteric emissions reductions shall be achieved only through incentive-based mechanisms until the state board, in consultation with the department, determines that a cost-effective, considering the impact on animal productivity, and scientifically proven method of reducing enteric emissions is available and that adoption of the enteric emissions reduction method would not damage animal health, public health, or consumer acceptance. Voluntary enteric emissions reductions may be used toward satisfying the goals of this chapter. (Health and Safety Code, Section 39730.7)



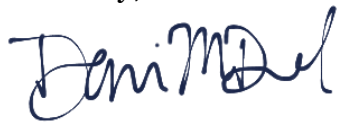
If an enteric reduction feed additive with long-term methane reduction potential is approved by the U.S. Food and Drug Administration (FDA), the additive must overcome technical and market barriers to ensure it is both available and affordable.

Additionally, CARB staff identified that the state will need considerable additional reductions to meet the 2030 targets. the use of on-farm agricultural byproducts should be considered a source methane emission reduction and included toward reaching the sector's climate goals. For example, almond shells are used for livestock bedding and almond hulls and citrus pulp are used in feed. In fact, over 40 percent of dairy cattle feed ingredients are agricultural by-products, and California dairies divert an estimated 10,275 tons of agricultural by-products from landfills.

Thank you for your time and consideration of our comments. We look forward to continuing our work together to achieve the state's climate goals.

If you have any questions or comments, please reach out to me at dani@agcouncil.org.

Sincerely,

A handwritten signature in blue ink that reads "Dani Diele". The signature is fluid and cursive, with the first name "Dani" and last name "Diele" clearly distinguishable.

Dani Diele
Membership & Public Policy Coordinator
Agricultural Council of California

