



Agricultural Council
of California

**Dairy Cares and Agricultural Council of California
Comments on the Proposed Low Carbon Fuel Standard Amendments
(Second Set of 15-Day Changes)**

October 16, 2024

Dairy Cares¹ and the Agricultural Council of California (“Ag Council”)² appreciate the opportunity to provide these comments on the second set of 15-day Changes to the California Air Resources Board’s (“CARB”) proposed Low Carbon Fuel Standard (“LCFS”) amendments (“Amendments”). Dairy Cares represents the California dairy sector, including dairy producer organizations, leading cooperatives, and major dairy processors. The Agricultural Council of California is a member-supported organization advocating for more than 15,000 farmers across California, ranging from farmer-owned businesses to the world’s best-known brands. We appreciate CARB’s efforts to lead a robust stakeholder process and to prepare a substantial record in support of the proposed revisions to the LCFS. These comments express support for the changes to provide dairy biomethane projects with longer term certainty for investments in methane reduction measures. We also recommend recognizing linear generators as an eligible electric book-and-claim pathway.

1. Dairy Cares and the Ag Council Support the Proposed Revisions to Section 95488.9(f).

Revisions to Section 95488.9(f) of Title 17 of the California Code of Regulations would clarify that biomethane projects breaking ground prior to 2030 would be eligible to seek approval of an additional crediting period. Dairy Cares and the Ag Council appreciate and support this important clarification. As CARB recognized in its May 30, 2024 response to the March 1, 2024 *Petition for Rulemaking to Regulate Methane and Other Air Pollutants from California Livestock*, methane emissions must be further reduced, but CARB “must also follow the appropriate process before initiating a rulemaking pursuant to SB 1383, which requires more

¹ For more information about Dairy Cares, please visit www.dairycares.com.

² For more information about the Ag Council, please visit <https://agriculturalcouncil.com/>.

actions before regulations can be designed, adopted, and implemented.”³ As explained in our prior comments in this rulemaking record, dairies are making substantial progress towards the Senate Bill 1383 targets, but will require long-term financial support to justify ongoing investments and continued operation of existing digesters to achieve these targets. The proposed revisions will help provide greater certainty for these important short-lived climate pollutant (“SLCP”) reduction efforts.

2. Section 95488.8(i) Should Be Expanded to Recognize Linear Generators.

Section 95488.8(i)(2) would be amended to include book-and-claim accounting of biomethane to produce electricity for electric vehicle charging, provided the electricity is generated using a fuel cell. We support this change because it will provide incentives that will help align the State’s SLCP reduction targets with the State’s priorities for vehicle electrification. We recommend also recognizing linear generators as eligible fuel cell power plants, consistent with the U.S. Treasury’s definition contained in the Federal Register. Linear generators have similar energy and capacity attributes as traditional fuel cells, and can run on renewable fuels, such as dairy biogas and hydrogen. State law was recently amended to expressly include linear generators using renewable fuels, and recognizing this technology in Section 95488.8(i) would create consistency with other Renewables Portfolio Standard-eligible resources recognized in that subsection.⁴ This would also further the fundamental program objectives related to the transportation fuel sector. As a source of electricity, linear generators, like other technologies using electrochemical or electromechanical means, can further the State’s objectives for vehicle electrification and provide new opportunities to significantly reduce SLCPs when running on feedstocks with a high methane profile, such as dairy biogas.

Dairy Cares and the Ag Council appreciate the opportunity to comment on this rulemaking and look forward to continuing to partner with CARB and other stakeholders on the implementation of the Amendments and the successful achievement of the State’s climate goals.

³ See CARB Response to Petition for Rulemaking (May 2024), available at: <https://ww2.arb.ca.gov/sites/default/files/2024-05/2024-05-30-CARB-CDFA-Response-to-Dairy-Rulemaking-Petition.pdf>.

⁴ See Cal. Pub. Res. Code Sec. 25741, as amended by Assembly Bill 1921 (Papan, 2024 Stats).