June 6, 2017

Honorable Mary Nichols, Chair

California Air Resources Board

1001 I Street

Sacramento, CA 95814

Dear Chairwoman Nichols:

Sustainable Conservation appreciates the opportunity to provide comments on the Dairy and Livestock GHG Reduction Working Group Kickoff Meeting held on May 23, 2017. We are pleased and honored to have Ryan Flaherty, our Director of Business Partnerships, serving as co-chair of the Working Group’s Subgroup #1: Fostering Markets for Non-Digester Alternatives. We also were very encouraged to hear you express your complete commitment to the successful implementation of SB 1383’s dairy and livestock goals, and the fact that that your commitment was shared by all of the other panelists from CDFA, CPUC, the Energy Commission, and the Governor’s Office.

As you may know, Sustainable Conservation has just released a report titled “Compost: Enhancing the Value of Manure” (<http://suscon.org/pdfs/compostreport.pdf>), in which we lay out both the environmental and economic potential and the regulatory and permitting challenges concerning on-dairy composting. We were very pleased to hear the widespread recognition from both the panel and participants at the Working Group kickoff meeting of the importance of compost in a comprehensive approach to reducing dairy GHG emissions and providing significant water quality benefits. The concern we have to express in this letter is not the result of anything that arose in the meeting itself. Rather, it concerns what we see as a misalignment between the intention of the State, clearly expressed at the kickoff meeting, to provide a wide range of means (including dairy manure composting) for dairies to employ to reduce their GHG emissions and certain permitting requirements for on-dairy composting operations being proposed by the Central Valley Regional Water Quality Control Board (RWQCB). Specifically, we are concerned that the RWQCB’s proposal to incorporate by reference all of the requirements of the State Water Board’s Compost General Order (GO) into first the Feedlot/Bovine General Order and then the Central Valley Dairy General Order would create an insurmountable economic and permitting barrier for any dairy in the San Joaquin Valley wishing to compost its manure onsite. Adopting this proposal would create a crippling disincentive for a practice that our report finds to be much more beneficial for water quality when compared to current, traditional raw manure management – a counter-productive outcome for an agency dedicated to improving water quality. We refer you to our report for a more in-depth discussion of the onerous nature of these proposed requirements and the potential implications of this proposal for both the simplified compost permitting goals of AB 1045 and the provision of a range of effective methane-reducing strategies dairies seeking to meet SB 1383’s emission reduction targets while also protecting water quality.

Sustainable Conservation was able to discuss our concerns about this potential deterrent to on-dairy composting at a meeting of the agencies engaged in implementation of AB 1045 on May 24, 2017, and we hope to engage in substantive discussions with the RWQCB and the State Water Board to resolve this issue in a way that allows dairies to consider on-farm composting as a feasible and achievable method of reducing emissions. While we recognize that the resolution of this issue is primarily the responsibility of the stakeholders and the state and regional Water

Boards rather than the Air Resources Board, we believe it is important that you and the other agency representatives engaged in SB 1383 implementation are aware of the fact that different branches of state government may inadvertently be working at cross purposes in ways that could impede the development of a potentially very valuable tool in the effort to achieve our GHG emission reduction targets for the dairy sector.

Please do not hesitate to contact us with any questions or requests for more information you may have. Thank you again for the opportunity to comment, and for inviting Sustainable Conservation to play a leadership role in the Working Group process.

Sincerely,



J Stacey Sullivan

Policy Director