TNRE

July 9, 2021

Ms. Rajinder Sahota California Air Resources Board 1001 I St. Sacramento, CA 95814

Re: True North Renewable Energy Comments on Scoping Plan Development

Dear Ms. Sahota:

True North Renewable Energy, LLC (TNRE) appreciates the opportunity to comment on the California Air Resources Board's (CARB) public workshop series to commence development of the 2022 Scoping Plan Update. TNRE develops, builds, and operates state-of-the-art organics-to-renewable energy facilities, including large scale, regional high-solids anaerobic digestion infrastructure. These facilities reuse and repurpose organic resources diverted from landfills to create beneficial, sustainable products, including biomethane and soil-amending compost. TNRE is focused on partnering with communities in California to meet local and state requirements for diverting organic waste from landfills and cutting short-lived climate pollutant (SLCP) emissions.

CARB should Reassert its Leadership on SLCPs in the Carbon Neutrality Scoping Plan

In developing the Carbon Neutrality Scoping Plan, we urge CARB to reevaluate and highlight anew the critical role that the State's SLCP policies, including CalRecycle's organics diversion regulations, will play in meeting both the 2030 target and achieving climate neutrality and netnegative emissions as soon as possible. SLCPs were a high priority in the 2017 Scoping Plan and we urge CARB to continue to prioritize SLCP reduction goals and not lose focus of this critical issue in the Carbon Neutrality Scoping Plan.

In the 2017 Scoping Plan, CARB identified the State's SLCP reduction strategies as responsible for over one-third of all greenhouse gas reductions needed to achieve the 2030 emissions goal – on par with the State's Cap-and-Trade program and more than all other non-Cap-and-Trade measures combined. In the Carbon Neutrality Scoping Plan, CARB should evaluate progress toward these targeted emissions reductions, recommend any additional measures needed to stay on track, and further evaluate additional opportunities to reduce SLCP emissions in line with the State's carbon neutrality goal.

Despite the State's Leading SLCP Framework, Success Cannot be Assumed

While the State has an emerging framework in place to achieve its targeted SLCP outcomes in some sectors, including the waste sector, it should not assume they will be successfully implemented to achieve necessary emissions reductions and greenhouse gas outcomes. Our

experience in the market suggests that many actors involved in complying with CalRecycle's regulations are looking for short-term solutions that offer the minimum compliance outcomes. This has been reinforced by the introduction of SB 619 in the legislature, which originally would have delayed implementation of CalRecycle's regulations.

Cutting Methane Emissions Should be Top Priority

This is exactly the wrong direction we need to go. Short lived climate pollutants like methane pose an outsized threat to our climate and health. Appropriately called "super pollutants," they are responsible for nearly half of global climate radiative forcing and have a significant impact on global warming and public health. If the world followed California's lead in adopting the measures and achieving the reductions in short-lived climate pollutants called for in SB 1383, we could cut the rate of global warming in half by 2050, provide a 90 percent chance of meeting the Paris Climate targets, save 3.5 million lives *annually* by 2030, avoid 53 million metric tons of crop losses each year, and provide net societal benefits valued at nearly \$6 trillion per year.¹

Methane, in particular, is responsible for nearly a quarter of global warming and has a global warming impact that is more than 80 times worse than carbon dioxide over 20 years. It has an average lifetime of about 12 years in the atmosphere, compared to centuries for carbon dioxide. This means that, while reductions in carbon dioxide emissions primarily serve to stop making global warming worse, deep reductions in methane emissions could actually deliver climate benefits and actively slow global warming – within about a decade. Indeed, with the clear and present threat that climate change poses not just in the future, but today, it's quite possible that nothing is more urgent in the fight against climate change then an immediate focus on slashing methane emissions.

National Targets May Push California to Do More

What's more, the Biden Administration has now set national targets for reducing greenhouse gas emissions by 2030 that surpass California's 2030 target under SB 32, and we may have to do more over the next decade than currently planned in California to meet our national targets. Of course, achieving carbon neutrality as soon as possible and maintaining net negative emissions thereafter will require additional emissions reductions from all sources, including SLCPs.

CARB should not limit its ambition on SLCPs in the Scoping Plan to the statutory requirements of SB 1383. Indeed, those only set a floor on necessary emissions reductions, and the urgency of climate change, national targets, and the carbon neutrality Executive Order push the State to do more. CARB should evaluate the full scope of potential SLCP emissions reductions that could be feasibly and cost effectively achieved, through 2030 and beyond.

¹ <u>https://ww2.arb.ca.gov/sites/default/files/2020-07/final_SLCP_strategy.pdf</u>

Diverting Food Waste from Landfills Overlooked

In the market related to organics diversion to comply with CalRecycle regulations, diverting food waste seems to be particularly overlooked. Many who are looking for alternatives to landfilling organic waste are looking for existing composting capacity, under the assumption that food waste will not be diverted in significant quantities. While composting is an important part of the solution to organics management, it is not well suited for mixed organics streams that would come from the residential sector, especially in urban areas with relatively small yards and lower fractions of yard waste. Conversely, while excess capacity at wastewater treatment plants may be an attractive option in some cases for waste streams that are predominantly food waste, they are not well-suited for waste streams with higher levels of yard waste.

Additional Anaerobic Digestion Capacity Needs to be Brought Online Quickly, Requires State Reinforcing Commitment to SB 1383 Outcomes and CalRecycle Regulatory Timelines

Meeting the State's organic diversion goals requires quickly developing additional anaerobic digester capacity. In order to develop that capacity on timelines needed to comply with CalRecycle's regulations, SB 1383 requirements and CARB's Scoping Plan goals, project developers like ourselves need certainty from jurisdictions and waste haulers that they will commit to deliver organic feedstock. In order for those jurisdictions and haulers to make those commitments, they need to appreciate that CalRecycle will not back down from its regulations, CARB and the State will not back down from its SLCP reduction goals and timelines, and that there remains a firm commitment to divert both food waste and yard waste from landfills.

We get it, and understand that many are moving cautiously to adapt to new regulations. Others may see opportunity to delay action if the State waivers in its commitment. We encourage CARB to reinforce this commitment in the Scoping Plan, and to work with CalRecycle, the CPUC, and other agencies and the Administration to reinforce the State's firm commitment to its organics diversion and SLCP reduction goals.

To the extent valid barriers or challenges may exist to deploying needed infrastructure, we encourage CARB to work with CalRecycle and other agencies to convene stakeholders to quickly work through challenges and identify solutions to ensure the rapid development of infrastructure needed to successfully implement CalRecycle's regulations and meet – or hopefully exceed – expected emissions reductions identified in the SLCP Reduction Strategy and 2017 Scoping Plan.

Recommendations for Carbon Neutrality Scoping Plan

In addition to the items mentioned above, we encourage CARB to consider the following recommendations related to SLCP emissions and organics management as it develops the Scoping Plan:

- Make strong statements that:
 - Reinforce the importance of SLCP reductions to meet both the State's 2030 and carbon neutrality goals,
 - Highlight the need to meet SB 1383's organics diversion targets, including for food waste, and
 - Emphasize the importance to the State's overarching climate policy of timely and successful implementation of CalRecycle's organics diversion regulations.
- Develop and evaluate scenarios and recommend measures that achieve maximum feasible SLCP reductions as quickly as possible, including those that exceed SB 1383 requirements in 2030 and beyond.
- Elevate the role of biomethane as an important component of a successful SLCP reduction framework and as a strategy to decarbonize the gas sector, industrial operations, and other sectors.
- Support utility biomethane procurement requirements at levels that are at least sufficient to ensure successful implementation of SB 1383 requirements, including for organics diversion by 2025.
- Along with CalRecycle, CPUC, and other agencies, convene local jurisdictions and stakeholders to identify and overcome any real or perceived barriers to deploying infrastructure necessary to meet organics diversion targets in SB 1383 and CalRecycle's regulations by 2025.
- Support a statewide education and outreach campaign specifically targeting diversion of food waste from landfills, which will likely be a new activity for many California residents and will be key to meeting the State's organics diversion, SLCP reduction, and climate goals. One option could be to encourage utilities to support a campaign as a cost-effective element of implementing a utility biomethane procurement program.
- Establish policies to decarbonize the industrial sector and other hard-to-abate sectors, including through the use of biomethane generated from organic waste, by working through existing programs such as the Low Carbon Fuel Standard and Cap-and-Trade program or other policy structures.
- Streamline permitting and siting for new anaerobic digestion facilities that deploy best-inclass emissions control technologies and advance the State's goals.

Moving Forward Together

We appreciate your consideration of these comments and look forward to engaging in the ongoing Scoping Plan development process. If you have any questions regarding TNRE, these recommendations, or the status of the market for organics diversion, please do not hesitate to reach out to us.

Thank you,

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Gary Aguinaga, President True North Renewable Energy, LLC