

November 8, 2022

Ms. Kathleen Kozawa, Manager, Program Assessment Ms. Michelle Waterson, Air Pollution Specialist California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Comments on Proposed Changes to Pipeline Biogas Standards

Dear Ms. Kozawa and Ms. Waterson:

The Bioenergy Association of California (BAC) submits these comments on the proposed changes to pipeline biogas standards that were presented at the workshop on November 1. BAC strongly supports the adoption and periodic updates of standards to protect public health. We also appreciate the thoroughness of ARB's and OEHHA's work in this area. Before finalizing the recommended changes, however, we urge the two health agencies to consider and revise several important issues, including:

- The need to ensure that pipeline standards do not undercut the over-arching goal of AB 1900 to promote instate biogas production and use;
- Important distinctions between food and green waste and within the category of green waste itself;
- Whether commercial labs can accurately test to the detection limits; and
- When differential standards (or greater flexibility) is warranted due to dilution in the pipeline.

Each of these issues is described more fully below.

1. The Goal of AB 1900 is to Promote Instate Biomethane Production and Use.

AB 1900 (Gatto, 2012) and numerous bills adopted more recently are explicitly intended to accelerate the production, transport and use of instate biomethane. AB 1900 requires that to:

"meet the energy and transportation needs of the state, the commission shall adopt policies and programs that promote the in-state production and distribution of

biomethane. The policies and programs shall facilitate the development of a variety of sources of in-state biomethane."

More recent legislation has reiterated that requirement and extended it to other state agencies. For example:

- SB 1122 (Rubio, 2012) requires the CPUC to "encourage gas and electrical corporations to develop and offer programs and services to facilitate development of in-state biogas for a broad range of purposes."
- AB 2313 (Williams, 2016) requires the CPUC to consider 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

Most importantly, SB 1383 (Lara, 2016) requires state agencies to "consider and, as appropriate, adopt policies and incentives to significantly increase the sustainable production and use of renewable gas, including biomethane and biogas." SB 1383 also requires a number of more specific measures to promote instate biogas, including explicitly directing the CPUC to fund the interconnection costs for biogas from dairy digester cluster projects, as a way to reduce Short-Lived Climate Pollutant (SLCP) emissions.

BAC urges ARB, therefore, in its report to the CPUC, to acknowledge that stricter standards and additional constituents of concerns will increase the costs of instate pipeline biogas and make it harder to reach the goals of the laws above unless the state also increases incentives for instate biogas production and use. ARB and OEHHA's 2013 report to the CPUC stated clearly that, compared to natural gas, "biomethane offers several benefits including:

- Supporting energy diversity as a renewable energy source,
- Reducing greenhouse gas emissions,
- Promoting sustainable waste management practices, and
- Creating new jobs in California.⁶

¹ Public Utilities code section 399.24(a).

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 Health and Safety Code 39730.8(c).

⁶ Recommendations to the California Public Utilities Commission Regarding Health Protective Standards for the Injection of Biomethane into the Common Carrier Pipeline, Prepared by Staff of the California Air Resources Board and the Office of Environmental Health Hazard Assessment, May 2013, at page 1.

The agencies' 2013 report also noted that:

"ARB staff also recommends that the CPUC consider the cost of testing for constituents of concern as they identify impediments that limit procurement of biomethane in California and adopt policies and programs that promote the in-state production and distribution of biomethane pursuant to AB 1900. . . the cost of testing for the constituents of concern may impede the economic viability of some biomethane production facilities . . . Given the broader public benefits from the increased use of biomethane, we recommend that the CPUC explore ways to minimize the testing cost burden to the biomethane producer, while at the same time ensuring that reasonable and prudent testing is conducted to protect both public health and pipeline integrity and safety."

Given the urgency of reducing SLCP emissions and other state policies calling for instate biogas use, BAC urges ARB to include a similar or stronger statement in its next report to the CPUC to underscore the need to reduce or offset the costs of meeting the stricter pipeline injection standards. BAC also urges ARB to adopt additional incentives for instate biomethane, including incentives for near-zero emission trucks that run on instate biomethane and other incentives to meet the goals of multiple state laws calling for increased production and use of instate biomethane. Finally, BAC urges ARB to recommend equivalent health protective standards for all fuels that participate in the LCFS and other state programs to reduce climate pollution.

2. Food and Green Waste Should Not Be Combined In a Single Category.

BAC appreciates the addition of food and green waste to the analysis and recommendations prepared by ARB and OEHHA, but urges the agencies not to combine them for purposes of establishing pipeline biogas standards. Food waste can include many constituents that are not found in plant waste and food waste is also likely to be mixed with other organic and/or unsorted municipal solid waste, so the constituents of concerns could be very different from pure green waste.

In addition, BAC urges the health agencies to treat urban green waste – green waste that is diverted from landfills – agricultural waste, and forest waste separately. Forest waste, for example, is unlikely to have pesticides or plastics or other contaminants that may be found in agricultural and urban green waste. Forest waste is also unlikely to contain the constituents of concern listed in ARB's Draft Supplement Report: 1,4-dichlorobenzene, alkyl thiols, ethylbenzene, hydrogen sulfide, vinyl chloride and 4 chemical classes (chlorocarbons, fluorocarbons, silicon compounds, sulfur compounds).

⁷ Id at pages 4-5.

California's 2021 budget included funding for OEHHA to develop separate recommendations for pipeline biogas standards for biomass.⁸ Lumping biomass of all kinds together with food waste does not comply with the goals of that budget allocation nor does it make sense scientifically given the likelihood of quite different constituents of concern between food waste, urban green waste, agricultural waste, and forest waste.

BAC urges ARB and OEHHA, therefore, to establish different testing, monitoring and injection standards for at least three separate categories currently lumped together under the "food/green waste" label: diverted organic waste (food and green waste diverted from landfills), agricultural waste (plant material only), and forest waste.

3. ARB and OEHHA Should Confirm that Adequate Testing is Commercially Available.

At the workshop, participants questioned whether commercial testing labs are able to detect all of the constituents of concern or whether some proposed standards are below reliable detection limits. BAC urges the health agencies to confirm that commercial testing equipment is available and whether more than one lab can do it to help reduce costs. It would also be helpful for the agencies to identify the expected costs of each test as part of their analysis. While recommending the pipeline biogas standards does not constitute a formal regulatory decision, it still makes sense to include some analysis of costs and benefits. The CPUC is required by AB 1900 to give the health agencies' recommendations due deference, so the CPUC will rely on ARB's and OEHHA's analysis, which should include an assessment of cost-benefits, including testing costs.

4. ARB Should Adopt Recommendations for Dilution in the Pipeline.

The CPUC's Decision on pipeline biogas standards gave the utilities some flexibility to adjust requirements based on dilution in the pipeline. [need to confirm this] ARB and OEHHA should also address dilution in their recommendations. A standard that is warranted for 100 percent biogas may be overly strict if the injected biogas will make up a small portion of the biogas to be delivered to end users.

Thank you for your consideration of these comments.

Sincerely,

Julia A. Levin
Executive Director

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⁸ SB 129 (Budget, 2021) appropriated \$920,000 to OEHHA to develop pipeline biogas standards for biomass waste feedstocks. This was done to help implement AB 3163 (Salas, 2020) which added biomass waste to the eligible feedstocks for biomethane procurement under Public Utilities Code section 640.