



California Air Resources Board

1001 I Street, Sacramento, CA 95814

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Comments on California Resources Board's Public Workshop on the 2030 Target Scoping Plan

**Submitted online: [https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=sp2030scenarios-
ws&comm_period=1](https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=sp2030scenarios-
ws&comm_period=1)**

Camco is a developer, owner and operator of anaerobic digester projects on dairy farms and a developer of carbon offsets from farm digester projects. Camco owns and operates dairy digester projects and manages offset generation at 25 projects across the U.S. - to date, Camco has delivered over 1 million offsets from dairy digester projects into California's cap-and-trade program. Camco has also been working with the CDFA through the Dairy Digester Development and Research Program and was granted funding assistance by the program in 2015 to develop a new dairy digester in Visalia, California.

This letter is in response to the request for public comment on the on the development of the update to California's AB32 Scoping Plan to meet the 2030 target.

In a November 7th workshop, ARB staff presented three broad policy options to increase the pace of GHG mitigation and put California on track to meet the target of reducing emissions by 40% by 2030. As an investor in emissions reduction projects, Camco is a strong supporter of California continuing, and strengthening, its cap-and-trade program to reach its 2030 GHG target. The program to date has been a success: California is on-track to meet its 2020 target, it has minimized the economic impact of the AB32 target in line with the goals set out and evaluated in the original scoping plan, it has established California as a clear leader nationally and internationally and it is stimulating low carbon investment.

One of the important parts of cap-and-trade as a policy tool to reduce GHG emissions is the offsets program. As has been seen in the early phases of cap-and-trade, offsets have provided real additional reductions in sectors outside of the cap, helped to contain costs and created and incentivized climate action in California and across the U.S. and, through linkage, Canadian provinces.

California has become the *de facto* leader in the Americas for climate and offset policy. This not only facilitates investment and project development but also the growth of a vibrant sector of service providers based in California, including project developers, verifiers, equipment manufacturers, offset investors (national and international) and technical consultants. Choosing a policy option other than cap-and-trade would not only cost Californian's more (as shown by ARB's economic modeling presented during the workshop) but also undercut the leadership California has worked hard to establish. California's offset program is supported by rules, guidelines and procedures developed by ARB staff in conjunction with offset stakeholders and informed by best practice from other programs. In Camco's view this is working well and importantly is setting the benchmark for other jurisdictions to follow: witness Ontario's regulatory proposal on offsets, the development of Mexico's GHG



reduction program, Chinese regional programs and the need for robust, transparent mechanisms to be developed to facilitate the transfer of international mitigation outcomes under the Paris Agreement.

Rather than jeopardize this success through switching to a policy alternative other than cap-and-trade or proposing to reduce the offsets limit (which has already created some uncertainty amongst developers given the long project development lead times), ARB should consider building on the success of the program by reviewing an increase in the offsets limit (or providing additional flexibility to emitters to use offsets). Greater use of offsets and/or increased flexibility would likely further reduce program costs and negative impacts and cement California's position as a hub for low-carbon investment and services as other states, provinces and countries look to follow its lead.

Camco appreciates the opportunity to help inform California's proposed 2030 Scoping Plan Scenarios and looks forward to provide further input as California evaluates the most cost-effective and environmentally certain path to allow it to hit its 2030 goals.

Sincerely,

Charles Purshouse

Vice President, Camco International Group, Inc.