



September 3, 2021

Richard Corey
Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on CARB's 2022 Climate Change Scoping Plan Scenarios

Dear Mr. Corey:

DTE Energy Resources (DTE) appreciates the opportunity to provide written feedback on the public workshop held August 17th titled "Scoping Plan Update – Scenario Concepts Technical Workshop". DTE is a developer, owner, and operator of biomass, co-generation and landfill gas electricity facilities in California, supplies renewable natural gas (RNG) to the state through the Low Carbon Fuel Standard (LCFS) and is currently in the process of developing one of the first carbon capture and sequestration (CCS) facilities in California.

DTE is deeply invested in California's goals to decarbonize while also both reducing concentrated air pollution in disadvantaged communities and maintaining a stable economy. The August 17th CARB workshop outlined a series of scenarios CARB is considering to balance these objectives. Below, DTE outlines our general perspectives on the scenarios that we hope will be considered in the final scenario development.

- 1. CARB should support the use of all existing greenhouse gas (GHG) mitigation programs and incentives in the 2022 Scoping Plan scenario process that demonstrate the potential to decarbonize fuel and electricity use in the state by 2045. Excluding programs like CCS, biomass utilization or other RNG supply incentives prior to 2045 could risk unintended consequences.**

Several of the suggested scenarios mention, or imply, potential scenarios that may not maintain existing state policies which are valuable to reach carbon neutrality by 2045.

Several examples of these scenarios included in the August 17th presentation include:

- Pg. 15: "Carbon Free Electricity Grid" asks "Any role for biomass combustion to generate electricity?" Then asks "Any role for combustion of RNG or renewable hydrogen to replace fossil gas for reliability";
- Pg. 21: "Petroleum Fuels" slide asks "Do we produce any renewable fuels from waste biomass in-state at converted refineries?";
- Pg. 23: "Short Lived-Climate Pollutant Methane" slide states "How should we use biogas captured from dairies and landfills – electricity generation, industrial heat, transportation fuel, other?";

- Pg. 25: Woody Biomass and Solid Biomass Waste” slide asks “Should biomass play a role in producing energy?” and “How should we best utilize solid biomass waste?”;
- Pg. 29: “Industry (Manufacturing, Construction, and Agriculture)” asks “What to do with industries that can’t electrify due to technology availability?”.

While DTE understands this is a modeling exercise to determine how these scenarios impact GHG’s, local air pollutants and the economy, the inclusion of scenarios that would prohibit specific technologies is concerning. For a company like DTE with significant California investments based on existing programs to help decarbonize California’s energy sector, it creates uncertainty and risk that these existing policy programs may be eliminated. This will deter similar companies from developing the technologies California needs to reach its carbon neutrality goals.

In addition, some of the policy areas mentioned could use more incentives for innovation rather than less. For example, the Caldor and Dixie fires raise questions as to how the state might reduce fuel loads in forests. Why suggest the elimination of utilizing trees for electricity, or any beneficial purpose?

2. CARB should fully support the utilization of CCS for all industrial sectors if it plans to reach its carbon neutral targets.

DTE believes including CCS in all GHG mitigation scenarios is not only prudent but necessary for the state to reach its 2045 carbon neutrality goals. The science is well established and supported by multiple credible and independent expert analyses. These technologies do not necessarily increase local air pollution, and in fact can reduce such pollution. Such technologies should be evaluated on their general merits as well as on an individual project basis. Moreover, CCS can foster workforce maintenance and a more equitable transition during the shift to a clean energy economy while easing the burden on the most vulnerable community members.

CARB’s responsibility for navigating all of these scientific and socioeconomic issues is both challenging and important to the state. DTE strongly urges CARB to develop 2022 Scoping Plan Scenarios which recognize the critical role CCS plays in attaining 2030 and 2045 GHG emission reductions, and to ensure that future statutory and regulatory changes are enacted to support responsible and appropriate deployment of these technologies.

3. CARB should continue to support programs that eliminate short lived climate pollutants in the dairy and biomass sectors in the current Scoping Plan.

CARB’s focus on expediting short lived climate pollutants, especially in the dairy and biomass sectors, is important to reduce GHG emissions. Recent California Energy Commission studies from the 2017 Integrated Energy Policy Report (IEPR) reached similar conclusions in recommending biomethane be used more extensively in California. CARB’s current focus should be on reducing the costs of bio-methane reductions in California dairies and supporting the transition of biomass-to-electricity plants to gasification, for example.

DTE would like to thank CARB staff for their continued work in developing thoughtful analysis for the Scoping Plan effort, and for the opportunity to provide feedback. We are

committed to helping the state reach its carbon neutrality goals. Please reach out to me or my colleagues if you have any questions or concerns about these comments.

Sincerely,

A handwritten signature in black ink that reads "Mark H. Rigby". The signature is written in a cursive, flowing style.

Mark H. Rigby
Vice President
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