



**LF Bioenergy**

March 15, 2023

Ms. Cheryl Laskowski, Chief  
Transportation Fuels Branch  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

Ms. Laskowski:

LF Bioenergy is an emerging leader in the development, construction and operation of renewable natural gas (RNG) production facilities on U.S. dairy farms. With a management team that combines leadership experience from the dairy, energy and agriculture industries, LF partners with dairy farmers to ensure each project positively impacts reduction of CO<sub>2</sub>, the farm's sustainability goals, operations and financial success. LF is a member of the RNG Coalition.

LF Bioenergy appreciates the opportunity to submit these comments to the California Air Resources Board (CARB) in response to the February 22 workshop on potential changes to the Low Carbon Fuel Standard (LCFS) program.

As a member of the Renewable Natural Gas Coalition, we echo the comments submitted by Sam Wade on December 21, 2022. First, market certainty is crucial to encourage continued investment in renewable fuels and, in turn to achieve California's greenhouse gas (GHG) emission reduction goals. We urge CARB to continue with the established methane crediting mechanisms for RNG projects under the LCFS program. Besides impacting financial investments into such projects, we believe that methane crediting is an accurate life-cycle analysis approach that supports state's short lived climate pollutant and SB 1383 goals. Therefore, we support CARB's proposal to continue methane crediting through 2040, provided there is a replacement policy in place that will continue incentivizing RNG investments post-2040.

Further, we support CARB's effort to strengthen the carbon intensity (CI) standards by 2030 to help stabilize the LCFS market and credit prices. The true-up crediting mechanism is another positive regulatory development which will provide better accounting of actual GHG reductions and provide additional certainty to RNG project investors and developers.

However, LF Bioenergy is concerned with the proposed concept of "deliverability" which would limit the LCFS book and claim provision for RNG to the "Western NG network" starting in 2028 consistent with the Renewable Portfolio Standard (RPS). It is important to recognize that the electric and natural gas systems



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are not directly comparable, with natural gas network completely integrated throughout the lower 48 states. We are unclear what benefit this limitation would serve besides limiting hundreds of out-of-state projects that could come online. RNG projects in California are challenging due to onerous air permitting requirements and additional operational costs. Further, it is unclear why hydrogen would not be subject to this requirement as this would send a signal of unequal treatment among different fuels within LCFS. Climate change is a global challenge and California has been leading the way by example. We feel localizing climate policy to California in any way would send the wrong message to other states and countries as we all do our part to solve the climate crisis.

Finally, LF Bioenergy requests for CARB to consider updates to its life-cycle analysis tools and specifically, the Tier 1 Simplified Calculator for dairy and swine manure, using the latest data available. We understand that the majority of assumptions and the general life-cycle methodology is based on the Compliance Offset Protocol for Livestock Projects which was last updated nearly a decade ago. The Protocol contains certain default assumptions that may not apply to real-life conditions or are simply outdated. We believe that CARB should either update those assumptions (for instance, VS excretion rates) based on the latest data available or allow user flexibility to update additional emission factors, particularly if the project operator can provide supporting data through actual data monitoring and/or laboratory analysis. We note that LCFS already allows this for liquid fuels when it comes to feedstock processing. While we understand that this change will require additional staff review time during the fuel pathway application process, we believe it is important to keep the regulatory framework flexible to accurately account for GHG reductions and realize the full value of the project.

We appreciate all the work that CARB has put into the LCFS regulatory update process thus far. Should you have any questions, please contact me at [blilienthal@lfbioenergy.com](mailto:blilienthal@lfbioenergy.com)

Sincerely,

Brent Lilienthal  
President and CEO  
LF Bioenergy LLC