



BerQ RNG
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VIA ELECTRONIC FILING

February 20, 2024

Matthew Botill
California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: BerQ RNG's Comments on Low Carbon Fuel Standard Initial Statement of Reasons

Dear Mr. Botill:

BERQ RNG ("BERQ") is a renewable natural gas company who develops, own and operates a portfolio of fourteen (14) projects in the US processing and upgrading biogas from dairy manure digesters, swine manure digesters and landfill gas into pipeline quality renewable natural gas ("RNG") representing an investment in this industry in excess of \$450 million. BERQ currently has three (3) dairy digester projects participating in the CA LCFS by producing RNG dispensed as CNG in the California transportation market and has an additional eleven (11) projects in construction or late stage development undertaken in reliance on participation in the LCFS program.

BERQ appreciates the opportunity to submit comments to CARB on the proposed scoping plan Initial Statement of Reasons. ***We strongly support the proposed amendment allowing projects that break ground by December 31, 2029 to preserve the current approach of book and claim and the full three, 10 year avoided methane crediting periods to continue to incentivize the growth of the biogas to RNG industry as an integral component of achieving CARB's goals.***

We agree with CARB's goal of reducing methane emissions but believe the proposed rule lacks ambition to support this goal in the near term and thus ***we urge CARB to set more ambitious CI reduction targets of at least 25% in 2025 and at least 35% in 2030.*** Adopting these targets would greatly assist in reestablishing adequate demand for credits by depleting the credit bank and creating a more competitive market for the sale of credits.

CARB has proposed that all digester projects would be required to model one (1) lagoon cleanout a year in September even if this does not match the actual practice of the farm. Implementing this assumption would result in the Carbon Intensity scores of most biogas digester projects becoming more positive by a range of 40-70 CI points causing a significant adverse impact on the economics of such biogas digester to RNG projects and may either cause planned projects to be cancelled or cause current or soon to be commercial biogas digester RNG projects to divert supply to alternative markets. While we understand CARB is proposing this change primarily to improve administrative simplicity of evaluating baseline conditions, we strongly urge CARB to reevaluate this position as modeling lagoon cleanouts



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where they do not occur will lead to a gross underestimation of avoided methane emissions and cause investments in manure RNG projects to be greatly reduced.

Thank you in advance for your consideration.

Kind regards,

Martin L. Ryan

Marty Ryan

President

BERQ US Investment LLC