

February 20, 2024

Liane M. Randolph
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

Subject: Letter of Comment on Dairy and Swine RNG for Proposed Amendments to the LCFS, posted December 19, 2023

Dear Chair Randolph:

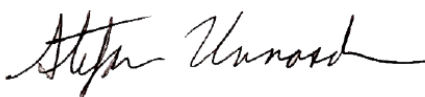
Life Cycle Associates would like to take this opportunity to provide our comments on the Proposed Amendments to the Low Carbon Fuel Standard Regulation, posted on December 19, 2023. This letter is focused on the proposed amendments for Dairy and Swine based RNG.

Dairy and Swine RNG are potentially important feedstocks for hydrogen production. The avoided methane results in a low CI which helps to finance these facilities and support the supply of low-CI hydrogen either directly to market or as a process fuel for alternative fuel producers. While CARB is evaluating numerous comments about the generosity of such credits, we recommend that CARB also evaluate the alignment of dairy RNG credits with the high value credit opportunities under the Hydrogen Refueling Infrastructure (HRI) provision.

Just like the HRI provides an incentive to build hydrogen stations that otherwise could not support financing of their construction, the avoided methane credits are intended to provide a financial incentive to install equipment to eliminate methane emissions that otherwise would not be regulated. Following such an intention, the HRI incentive is capped to the capital spent to build the hydrogen dispensing infrastructure. CARB should recognize the high costs for installing and operating manure Biogas Control Systems (BCS) and not eliminate methane avoidance credits abruptly and develop an incentive (utilizing avoided methane) for dairy farms to install a BCS system to regulate their uncontrolled methane emissions in-line with the capital and operational expenditures for such BCS system(s).

Thank you for your consideration in reviewing our comments and incorporating them into the final regulation. If you have any questions, please reach out to me directly.

Sincerely,



Stefan Unnasch
Managing Director
Life Cycle Associates